

**Side Letter of Agreement  
Between the  
City of Petaluma and the American Federation of State, County, and Municipal Employees (AFSCME),  
Local 675, for Employees of Unit 1 (Confidential), Unit 2 (Maintenance),  
and Unit 3 (Clerical/Technical)**

**One-Year Extension of the Current Units 1, 2 and 3 Memorandum of Understandings  
and  
Deferral of the 2% Salary Adjustment effective June 29, 2009 and the  
2% Salary Adjustment effective December 28, 2009**

Representatives of the City of Petaluma and AFSCME, Local 675 Unit 1 (Confidential), Unit 2 (Maintenance), and Unit 3 (Clerical/Technical) have met and conferred in good faith and have reached agreement on this Side Letter of Agreement.

The City of Petaluma and AFSCME Units 1, 2, and 3 have 3-year Memorandum of Understandings in place effective July 1, 2007 to June 30, 2010. The MOUs provide for the following salary adjustments:

July 2, 2007	4%
June 30, 2008	2%
December 29, 2008	2%
June 29, 2009	2%
December 28, 2009	2%

The City of Petaluma continues to face financial shortfalls and impending layoffs. In response to the current financial and economic condition of the City, representatives of AFSCME have offered and agree to defer the 2% salary adjustment effective June 29, 2009 and the 2% salary adjustment effective December 28, 2009.

The parties therefore agree that the 2% June 29, 2009 salary adjustment and the 2% December 28, 2009 salary adjustment is hereby deferred. The parties agree to meet and confer no later than April 2010 to discuss the extension of the deferred salary adjustments.

In exchange for the deferred salary adjustments the City of Petaluma agrees to extend the current 3-year Memorandum of Understandings in place effective July 1, 2007 to June 30, 2010 by one-year to June 30, 2011.

The City agrees to give consideration to AFSCME's request to apply associated savings to the extension of lay-off dates to some portion of affected AFSCME represented employees, or restoration of some portion of AFSCME represented positions.

The parties hereby agree that the current MOUs between the City and AFSCME Units 1, 2, and 3 shall be extended for one year and effective through June 30, 2011.

The parties hereby further agree as follows:

**For Unit 1 – Confidential and Unit 3 – Clerical/Technical**

1. The parties agree to replace existing MOU sections 27 and 28 with the following revised sections 27 and 28 effective January 1, 2010:

**SECTION 27 – HEALTH BENEFITS – ACTIVE EMPLOYEES**

**27.1 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.

27.2 Active Employees - Additional Benefit

Effective January 1, 2010 and January 1, 2011 the City shall provide active employees with an additional monthly benefit as identified in the chart 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 (95%) for each employee and his or her family members. For example, effective January 1, 2010, the monthly premium at the Kaiser rate for single health benefit coverage is \$532.56. The additional benefit would be calculated as \$ 532.56 less \$ 105.00 times 95% = \$406.18.

27.3 Additional Benefit – Effective January 1, 2010

Coverage	2010 Kaiser Rate	City PEMHCA Contribution	Maximum Additional Benefit Contributed by the City
Single	\$532.56	\$105.00	\$406.18
2-Party	\$1,065.12	\$105.00	\$912.11
Family	\$1,384.66	\$105.00	\$1,215.68

27.4 Additional Benefit – Effective January 1, 2011

Coverage Level	2010 Kaiser Rate	City PEMHCA Contribution	Maximum Additional Benefit Contributed by the City
Single, 2-Party , or Family	Applicable Kaiser Rate	As determined By CalPERS	Monthly Kaiser rate less PEMHCA contribution times 95%

27.5 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 dollar paid by the City.

SECTION 28 – HEALTH BENEFITS – RETIRED EMPLOYEES

28.1 Retired Employees – CalPERS and the 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 retiree must meet the following definition of "annuitant" under CalPERS law:

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

28.2 "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 2010, the formula for determining the City's PEMHCA for retirees is as follows:

16 years in the PEMHCA program x 5% = 80% x \$105 (minimum employer contribution for active employees for 2010) = \$84.00.

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.

**28.3 CalPERS Annuitant – PEMHCA Health Benefits**

In accordance with the PEMHCA provisions, if an employee is a CalPERS annuitant as defined in Section 28.1 and receives health benefits under the PEMHCA, the employee is eligible to receive the City's PEMHCA contribution amount specified in Section 28.5 below, regardless of the number of years of service with the City of Petaluma.

**28.4 Less Than 20 Years of Service – Not Receiving PEMHCA Health Benefits**

A retired employee with less than twenty (20) 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.

**28.5 Less Than 20 Years of Service – Receiving PEMHCA Health Benefits**

A retired employee with less than twenty (20) years of service with the City of Petaluma who is a CalPERS annuitant as defined in Section 28.1 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 Monthly PEMHCA contribution
2008	\$70.00
2009	\$75.75
2010	\$84.00
2011	\$85.00
2012	\$90.00
2013	\$95.00
2014	\$100.00

**28.6 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) each month, effective the first month following the expiration of health benefit coverage.

**28.7 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 28.1 and enrolled in the CalPERS health benefit program shall receive a benefit payment of one-hundred-forty dollars (\$140) 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 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	\$ 84.00	\$ 56.00	\$ 140.00
2011	\$ 85.00	\$ 55.00	\$ 140.00
2012	\$ 90.00	\$ 50.00	\$ 140.00
2013	\$ 95.00	\$ 45.00	\$ 140.00
2014	\$ 100.00	\$ 40.00	\$ 140.00

It is the responsibility of the retiree to notify the City in writing if he/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) at the beginning of the following month.

**For Unit 2 – Maintenance**

1. The parties agree to replace existing MOU sections 28 and 29 with the following revised sections 27 and 28 effective January 1, 2010:

**SECTION 28 – HEALTH BENEFITS – ACTIVE EMPLOYEES**

**28.1 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.

**28.2 Active Employees - Additional Benefit**

Effective January 1, 2010 and January 1, 2011 the City shall provide active employees with an additional monthly benefit as identified in the chart 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 (95%) for each employee and his or her family members. For example, effective January 1, 2010, the monthly premium at the Kaiser rate for single health benefit coverage is \$532.56. The additional benefit would be calculated as \$ 532.56 less \$ 105.00 times 95% = \$406.18.

**28.3 Additional Benefit – Effective January 1, 2010**

Coverage	2009 Kaiser Rate	City PEMHCA Contribution	Maximum Additional Benefit Contributed by the City
Single	\$532.56	\$105.00	\$406.18
2-Party	\$1,065.12	\$105.00	\$912.11
Family	\$1,384.66	\$105.00	\$1,215.68

**28.4 Additional Benefit – Effective January 1, 2011**

Coverage Level	2010 Kaiser Rate	City PEMHCA Contribution	Maximum Additional Benefit Contributed by the City
Single, 2-Party, or Family	Applicable Kaiser Rate	As determined By CalPERS	Monthly Kaiser rate less PEMHCA contribution times 95%

28.5 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 dollar paid by the City.

SECTION 29 – HEALTH BENEFITS – RETIRED EMPLOYEES

29.1 Retired Employees – CalPERS and the 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 retiree must meet the following definition of "annuitant" under CalPERS law:

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

29.2 "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 2010, the formula for determining the City's PEMHCA for retirees is as follows:

16 years in the PEMHCA program x 5% = 80% x \$105 (minimum employer contribution for active employees for 2010) = \$84.00.

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.

29.3 CalPERS Annuitant – PEMHCA Health Benefits

In accordance with the PEMHCA provisions, if an employee is a CalPERS annuitant as defined in Section 29.1 and receives health benefits under the PEMHCA, the employee is eligible to receive the City's PEMHCA contribution amount specified in Section 29.5 below, regardless of the number of years of service with the City of Petaluma.

29.4 Less Than 20 Years of Service – Not Receiving PEMHCA Health Benefits

A retired employee with less than twenty (20) 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.

29.5 Less Than 20 Years of Service – Receiving PEMHCA Health Benefits

A retired employee with less than twenty (20) years of service with the City of Petaluma who is a CalPERS annuitant as defined in Section 28.1 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 Monthly PEMHCA contribution
2008	\$70.00
2009	\$75.75
2010	\$84.00
2011	\$85.00
2012	\$90.00
2013	\$95.00
2014	\$100.00

29.6 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) each month, effective the first month following the expiration of health benefit coverage.

29.7 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 29.1 and enrolled in the CalPERS health benefit program shall receive a benefit payment of one-hundred-forty dollars (\$140) 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 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	\$ 84.00	\$ 56.00	\$ 140.00
2011	\$ 85.00	\$ 55.00	\$ 140.00
2012	\$ 90.00	\$ 50.00	\$ 140.00
2013	\$ 95.00	\$ 45.00	\$ 140.00
2014	\$ 100.00	\$ 40.00	\$ 140.00

It is the responsibility of the retiree to notify the City in writing if he/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) at the beginning of the following month.

This Side Letter of Agreement is executed the 25th day of June 2009, by the employer-employee relations representatives whose signature appears below for their respective organizations.

**AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES**

  
\_\_\_\_\_  
Lenny McBride, Business Agent, AFSCME

6/26/09  
Date

  
\_\_\_\_\_  
Doug Silacci, President, AFSCME

6/29/09  
Date

**CITY OF PETALUMA**

  
\_\_\_\_\_  
John C. Brown, City Manager

6-29-09  
Date

  
\_\_\_\_\_  
Pamala Robbins, Human Resources Manager

06 -29 -2009  
Date

**Side Letter of Agreement  
Between the  
City of Petaluma and AFSCME Unit 1 – Confidential, Unit 2 – Maintenance, and  
Unit 3 – Clerical/Technical**

**4/10 Work Schedule and Pro-ration of Leaves and Benefits**

Representatives of the City of Petaluma and AFSCME – Unit 1 – Confidential, Unit 2 – Maintenance, and Unit 3 – Clerical/Technical have met and conferred and reached agreement on this Side letter of Agreement to the Unit 1, Unit 2, and Unit 3 Memorandum of Understandings (MOU) dated July 1, 2007 through June 30, 2010.

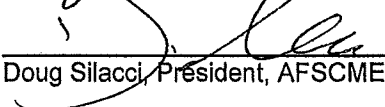
In response to the change in the economy, the City of Petaluma took various actions steps to reduce expenses and bring budgeted expense into line with revenues. One of those cost reduction measures included closing City offices for non-essential services on Fridays and requiring personnel to work a 4/10 work schedule. The City has the right to determine employee work schedules and therefore assigned certain employees to a 4/10 schedule. The City met and discussed the impact this change in work schedule had upon had upon working conditions. Based upon those discussions the parties agree as follows:

1. 4/10 Schedule Mandatory through June 30, 2010  
An employee shall be assigned a 4/10 schedule as determined and directed by the City Manager or his designee. An employee may select a flexible work day schedule within the limits set by the City. An employee requests and obtains approval for an alternate work schedule on the City of Petaluma "Employee Alternate Work Schedule Request / Approval Form". The mandatory 4/10 work schedule in place shall remain in effect through June 30, 2010.
2. Economic Conditions  
AFSCME agrees to the terms in this Side Letter of Agreement only out of response and recognition of the difficult economic and financial conditions of the City and only as a temporary measure.
3. Hardship Cases  
An employee may request approval from his/her Department Director to work less than 40 hours in a work week. Employees do not have the choice to work less than 40 hours but must demonstrate and be approved for a less than 40 hour work week for a compelling reason.
4. Pro-Rated Leaves and Benefits  
An employee approved for a less than 40-hour work week shall have all leave and benefits pro-rated in five percent (5%) increments. For example an employee working less than 40 hours but 38 or more hours pro-ration is at 95%; for less than 38 hours but 36 or more hours pro-ration is at 90%.  
Pro-ration of leave and benefits shall be under the same terms and conditions of an employee in a shared position. The pro-ration in place shall continue to be in effect.

**AFSCME**


  
\_\_\_\_\_  
Lenny McBride, Labor Representative, AFSCME

6/23/09  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Doug Silacci, President, AFSCME

6/23/9  
\_\_\_\_\_  
Date

**CITY OF PETALUMA**

  
\_\_\_\_\_  
John C. Brown, City Manager

6-24-09  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Pamala Robbins, Human Resources Manager

06-23-2009  
\_\_\_\_\_  
Date

**Side Letter of Agreement  
Between the  
City of Petaluma and AFSCME Unit 1 – Confidential and Unit 3 – Clerical/Technical  
Health Benefits for Active and Retired Employees  
January 6, 2009**

Representatives of the City of Petaluma and AFSCME – Unit 1 – Confidential and Unit 3 – Clerical/Technical have met and conferred and reached agreement on this Side letter of Agreement to the Unit 1 and Unit 3 Memorandum of Understanding (MOU) dated July 1, 2007 through June 30, 2010 which modifies Section 27 - Health Benefits - Active Employees and Section 28 Health Benefits - Retired Employees.

A change in California Public Employees' Retirement System (CalPERS) law relating to employer's contributions for health care premiums requires the City of Petaluma to use a new formula to determine the minimum contribution the City must make on behalf of active employees and annuitants (retirees) for health care premium payments.

1. The parties agree to replace existing MOU sections 27 and 28 with the following revised sections 27 and 28 effective January 1, 2009:

**SECTION 27 – HEALTH BENEFITS – ACTIVE EMPLOYEES**

**27.1 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.

**27.2 Active Employees - Additional Benefit**

Effective January 1, 2009 and January 1, 2010 the City shall provide active employees with an additional monthly benefit as identified in the chart 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 (95%) for each employee and his or her family members. For example, effective January 1, 2009, the monthly premium at the Kaiser rate for single health benefit coverage is \$508.30. The additional benefit would be calculated as \$ 508.30 less \$ 101.00 times 95% = \$386.94.

**27.3 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

**27.4 Additional Benefit – Effective January 1, 2010**

Coverage Level	2010 Kaiser Rate	City PEMHCA Contribution	Maximum Additional Benefit Contributed by the City
Single, 2-Party, or Family	Applicable Kaiser Rate	As determined By CalPERS	Monthly Kaiser rate less PEMHCA contribution times 95%

- 27.5 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 dollar paid by the City.

## **SECTION 28 – HEALTH BENEFITS – RETIRED EMPLOYEES**

### 28.1 Retired Employees – CalPERS and the 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 retiree must meet the following definition of "annuitant" under CalPERS law:

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

### 28.2 "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 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.

### 28.3 CalPERS Annuitant – PEMHCA Health Benefits

In accordance with the PEMHCA provisions, if an employee is a CalPERS annuitant as defined in Section 28.1 and receives health benefits under the PEMHCA, the employee is eligible to receive the City's PEMHCA contribution amount specified in Section 28.5 below, regardless of the number of years of service with the City of Petaluma.

### 28.4 Less Than 20 Years of Service – Not Receiving PEMHCA Health Benefits

A retired employee with less than twenty (20) 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.

28.5 Less Than 20 Years of Service – Receiving PEMHCA Health Benefits

A retired employee with less than twenty (20) years of service with the City of Petaluma who is a CalPERS annuitant as defined in Section 28.1 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 Monthly PEMHCA contribution
2008	\$70.00
2009	\$75.75
2010	\$80.00
2011	\$85.00
2012	\$90.00
2013	\$95.00
2014	\$100.00

28.6 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) each month, effective the first month following the expiration of health benefit coverage.

28.7 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 28.1 and enrolled in the CalPERS health benefit program shall receive a benefit payment of one-hundred-forty dollars (\$140) 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 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
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2011	\$ 85.00	\$ 55.00	\$ 140.00
2012	\$ 90.00	\$ 50.00	\$ 140.00
2013	\$ 95.00	\$ 45.00	\$ 140.00
2014	\$ 100.00	\$ 40.00	\$ 140.00

It is the responsibility of the retiree to notify the City in writing if he/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) at the beginning of the following month.

**AFSCME**

*Lenny McBride*

Lenny McBride, Labor Representative, AFSCME

*1/12/09*

Date

*Doug Sifacci*

Doug Sifacci, President AFSCME

*1/12*

Date

**CITY OF PETALUMA**

*John C. Brown*

John C. Brown, City Manager

*1-21-09*

Date

*Pamala Robbins*

Pamala Robbins, Human Resources Manager

*1-14-2009*

Date

**Side Letter of Agreement  
Between the  
City of Petaluma and AFSCME Unit 1 – Confidential, Unit 2 – Maintenance, and  
Unit 3 – Clerical/Technical**

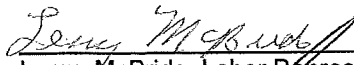
**4/10 Work Schedule and Pro-ration of Leaves and Benefits**

Representatives of the City of Petaluma and AFSCME – Unit 1 – Confidential, Unit 2 – Maintenance, and Unit 3 – Clerical/Technical have met and conferred and reached agreement on this Side letter of Agreement to the Unit 1, Unit 2, and Unit 3 Memorandum of Understandings (MOU) dated July 1, 2007 through June 30, 2010.

In response to the change in the economy, the City of Petaluma took various actions steps to reduce expenses and bring budgeted expense into line with revenues. One of those cost reduction measures included closing City offices for non-essential services on Fridays and requiring personnel to work a 4/10 work schedule. The City has the right to determine employee work schedules and therefore assigned certain employees to a 4/10 schedule. The City met and discussed the impact this change in work schedule had upon working conditions. Based upon those discussions the parties agree as follows:

1. 4/10 Schedule Mandatory through June 30, 2009  
An employee shall be assigned a 4/10 schedule as determined and directed by the City Manager or his designee. An employee may select a flexible work day schedule within the limits set by the City. An employee requests and obtains approval for an alternate work schedule on the City of Petaluma "Employee Alternate Work Schedule Request / Approval Form". The mandatory 4/10 work schedule shall be in effective November 3, 2008 through June 30, 2009.
2. Economic Conditions  
AFSCME agrees to the terms in this Side Letter of Agreement only out of response and recognition of the difficult economic and financial conditions of the City and only as a temporary measure.
3. Hardship Cases  
An employee may request approval from his/her Department Director to work less than 40 hours in a work week. Employees do not have the choice to work less than 40 hours but must demonstrate and be approved for a less than 40 hour work week for a compelling reason.
4. Pro-Rated Leaves and Benefits  
An employee approved for a less than 40-hour work week shall have all leave and benefits pro-rated in five percent (5%) increments. For example an employee working less than 40 hours but 38 or more hours pro-ration is at 95%; for less than 38 hours but 36 or more hours pro-ration is at 90%. Pro-ration of leave and benefits shall be under the same terms and conditions of an employee in a shared position. Pro-ration shall be implemented effective December 15, 2008.

**AFSCME**

  
\_\_\_\_\_  
Lenny McBride, Labor Representative, AFSCME

11/7/09  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Doug Silacci, President, AFSCME

12/23  
\_\_\_\_\_  
Date

CITY OF PETALUMA



John C. Brown, City Manager



Pamala Robbins, Human Resources Manager

1-12-09

Date

1-8-2009

Date