Due to the impacts of the COVID-19 health pandemic, the City of Palo Alto Management and Professional employees will make the following adjustments to the Compensation Plan for the period of July 1, 2020 through June 30, 2021. All other terms not listed below remain the same as provided in the Management Compensation Plan and shall continue through June 30, 2021.

I. For Fiscal Year 2021, there will be no base salary increases or compensation adjustments tied to the performance appraisal process.

II. Employees laid off as part of the FY 2021 budget reductions, shall be eligible for a severance payment equivalent to four weeks of salary, unless otherwise specified (At-Will).

III. For Fiscal Year 2021, all employees will take 13 unpaid furlough days (104 hours). At least, one unpaid furlough day of 8 hours will be taken per month.

IV. The City will maintain contributions to health care in alignment with budgeted increases. Effective January 1, 2021, the City will increase its maximum contribution by 50% of average of the increases to Kaiser and PERS Choice. Provided however, that the total increase of the maximum City contribution shall not exceed 4%.

V. For Fiscal Year 2021, the City will reduce the “Excess Benefit” by 50%. Employees will receive $1,250 to put toward options designated in the Compensation Plan.

VI. For FY21, the City Manager is authorized to increase vacation accrual maximums by 80 hours for employees who would hit their respective cap. Unless otherwise amended the vacation accrual maximum will return to its normal level in FY22. Any leave hours an employee has above the vacation accrual maximum will be cashed out on the next paycheck.

Except as herein modified, all other provision of the Compensation Plan shall remain in effect.