SECTION 9. ANNUAL LEAVE FOR EMPLOYEES IN EXHIBIT 2

For employees on a forty (40) hour work schedule, the Annual Leave Plan shall be as follows:

1. Annual Leave Accrual -

a. Less than Ten (10) Years – For such employees who have been continuously employed by the City for less than ten (10) years in permanent positions, the Annual Leave accrual rate will be 15.5 hours for each completed calendar month of employment. In the event the City agrees to a higher Annual Leave accrual rate for members of recognized labor organizations who participate in the City of Fresno Employees' Retirement System, the City will increase the Annual Leave accrual rate to the same level for employees in Exhibit 2.

More than Ten (10) Years – For such employees who have been continuously employed by the City for ten (10) years or more in permanent positions, the Annual Leave accrual rate will be 18.83 hours for each completed calendar month of employment. In the event the City agrees to a higher Annual Leave accrual rate for members of recognized labor organizations who participate in the City of Fresno Employees' Retirement System, the City will increase the Annual Leave accrual rate to the same level for employees in Exhibit 2.

b. Accumulation Limit – The accumulation of unused Annual Leave will not exceed 1,200 hours for employees in Executive Pay ranges E1 through E4; 1,000 hours for employees in the E5 range; and 840 hours for employees in the, E6, E7, E8, E10, E11, E12, E13, E15, E16, E17, E19, E20, E21 and E22 ranges. In the event an employee has an Annual Leave balance over the limits listed above, accruals will cease until the balance is under the limit.