

## LETTER OF UNDERSTANDING

Between the San Mateo Management Employees Association and the City of San Mateo

The Memorandum of Understanding (MOU) between the San Mateo Management Employees Association ("Association") and the City of San Mateo ("City") is set to expire as of 11:59 p.m., April 11, 2020.

MOU Section 25.5 Retirement Health Savings Account states that the Association may elect to change the conversion of separation pay arrangement for each successive calendar year of the Agreement.

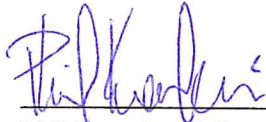
The Association has elected to change the conversion of separation pay arrangement for calendar year 2020. All employee separations occurring between January 1, 2020 and December 31, 2020 shall be handled in the following manner:

- At the time of service or disability retirement from City merit employment, separation pay arrangements shall be as follows:
  - For employees with 15 years or less of merit service credit, all eligible leave balances shall be contributed to the employee's RHSA.
  - For employees with 16 or more years of merit service credit, 100% of all eligible accrued sick leave balances shall be contributed to the employee's RHSA.
- At the time of non-retirement separation from City merit employment, employees shall contribute no accrued leave to his/her RHSA.

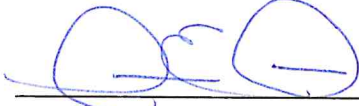
The Association may elect to change the above conversion of separation pay arrangement for each successive calendar year of this Agreement. The Association must notify the City's Human Resources Department in writing no later than November 30<sup>th</sup> of the change(s) to be made for the following calendar year. In the event notification is not received by the deadline, the separation pay arrangement in effect at the time will continue for the following calendar year.

During the term of this MOU, employees in this bargaining unit may elect to contribute a set amount of salary to the RHSA. The City shall be notified of any such election sixty (60) days prior to the effective date.

MANAGEMENT EMPLOYEES ASSOCIATION

By:  Date: 11/20/2019  
Phil Kawakami, President, SMMEA

CITY OF SAN MATEO

 Date: 11/21/19  
Casey Echarte, Human Resources Director

cc: Shawn Mason, City Attorney  
Janie Berry, Payroll Supervisor  
Teresa Abrahamson, Human Resources