

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement, by and between the Town of Southampton (the “Town”) and the Civil Service Employees Association, Local 1000 AFSCME, AFL-CIO Southampton Town Unit (the “CSEA”), is dated and effective this ____ day of ____, 2019.

WHEREAS, the Town has established a 401(a) plan for non-elective contribution of accumulated but unused leave pay on behalf of employees; and

WHEREAS, the Town has agreed to extend the terms and conditions of the 401(a) plan to eligible CSEA members as defined herein;

NOW, THEREFORE, it is stipulated and agreed by and between the Town and the CSEA as follows:

1. Notwithstanding any provision to the contrary contained in the collective bargaining agreement between the Town and the CSEA, the following terms and conditions shall prevail with respect to the 401(a) plan.
2. Eligibility for participation in the plan shall be expanded to include CSEA bargaining unit members (“Members”) who at the time of retirement are at least 55 years of age and have at least \$1,000 in Terminal Pay and/or accumulated sick (for Members who are eligible for payment of accrued sick leave upon retirement), vacation, personal, and/or compensatory time.
3. Contributions by the Town to the 401(a) will include Members’ accrued and unused sick (for Members who are eligible for payment of accrued sick leave upon retirement), vacation, personal, and compensatory time; contributions will be allocated to individual accounts established for each eligible Member under the plan.

4. Subject to paragraph 6, contributions will be made by the Town to the 401(a) plan on behalf of each eligible Member following the Town's receipt of a Member's written notice of intent to retire, including the date of such retirement.
5. Members' accrued and unused sick (for Members who are eligible for payment of accrued sick leave upon retirement), vacation, personal, and compensatory time banks will be drawn down, in that order, and contributed to each Member's 401(a) plan account unless a Member notifies the Town, in writing, at least 30 days prior to the date the Town makes the first contribution that he/she wishes to have accrued and unused sick (for Members who are eligible for payment of accrued sick leave upon retirement), vacation, personal, and compensatory time drawn down in a different order, but in no event may a Member request a cash payment of such accrued time or waive participation in the 401(a) plan.
6. Contributions for any year to the 401(a) plan may not exceed the annual limits established by the Internal Revenue Code.
7. The Town agrees to submit contributions to each Member's 401(a) plan accounts no later than 30 days following that Member's date of retirement.
8. The parties agree that no modifications will be made to the 401(a) plan without the written agreement of both parties, except for modifications required to maintain the plan's status as qualified under Internal Revenue Code Section 401(a).

FOR THE TOWN

FOR THE CSEA
