

SIDE LETTER

Between

Mendocino County Deputy Sheriffs' Association

And

County of Mendocino

This Side Letter is entered into between the County of Mendocino and the Mendocino County Deputy Sheriffs' Association ("DSA"), collectively referred to as "Parties."

Having met and discussed the Internal Revenue Code tax rule pertaining to the Constructive Receipt of Income, e.g. 29 C.F.R. section 1.451-2, as applied to DSA members' entitlement to cash out accrued leave, the Parties agree that the leave cash out provisions set forth in the 2019-2022 DSA MOU at Article 9(8)(D) – cash out compensatory time off, Article 20(6) – cash out of vacation leave, and Article 20(1) – cash out of unused holiday leave hours, are hereby subject to the below requirements:

1. Irrevocable Election

To cash out CTO, vacation, and/or unused holiday leave hours in the subsequent calendar year, each employee must fill out an Irrevocable Election Form and submit it to Human Resources during the County open enrollment period. In calendar year 2020, the County will accept these forms up to December 15, 2020. The County will provide employees with the Irrevocable Election Form in advance of the deadline for receipt of the form.

Employees who do not submit a completed Irrevocable Election Form by the required date will not be permitted to cash out leave in the subsequent calendar year.

On the Irrevocable Election Form, an employee must irrevocably elect the number of CTO, vacation, and/or unused holiday leave hours he or she wishes to cash out in the subsequent calendar year. For example, if an employee wishes to cash out up to 40 hours of vacation leave in calendar year 2021, he or she must irrevocably elect to do so in calendar year 2020. Employees who irrevocably elect to cash out leave in the subsequent calendar year are not required to do so. However, employees may only cash out leave in an amount up to the amount set forth in their Irrevocable Election Form.

Employees must submit an Irrevocable Election form on an annual basis.

2. Cash Out Must Be Accrued in the Same Calendar Year

An employee may only cash out leave hours that accrued in the same calendar year – regardless of how many leave hours the employee has accrued in previous years. For example, if an employee wishes to cash out 40 hours of vacation leave in February but has

only accrued 24 at the time of the request, the employee may only cash out 24 hours at the time of the request.

3. No Change to Existing Restrictions

This agreement does not change restrictions on leave cash outs set forth in the DSA MOU. For example, Article 20(6) provides that employees may cash out up to forty (40) hours of vacation once per fiscal year if the employee is accruing 6.157 hours or more of vacation per pay period and has utilized 80 hours of vacation in the previous twenty-six (26) pay periods, provided the employee is left with an accrued balance of at least forty (40) hours. These and other restrictions set forth in the DSA MOU remain operative.

FOR THE MENDOCINO COUNTY DEPUTY SHERIFFS' ASSOCIATION

John Zared (Zohar Zared)

11/24/2020
Date

FOR THE COUNTY OF MENDOCINO

[Signature]

11-24-2020
Date