

**Agreement between the Santa Cruz County Regional Transportation Commission
and the Community of RTC Employees (CORE) Unit of the Service Employees
International Union Local 521**

Pertaining to Distribution of Funds Held in Trust In-Lieu of Payment to Social Security

The purpose of this Letter of Agreement between Service Employees International Union Local 521 (SEIU 521) and the Santa Cruz County Regional Transportation Commission (SCCRTC) is to clarify the process in which funds, equivalent to the amount previously paid by the employee and the RTC (12.4% of payroll) to Social Security that have been set aside in an interest-bearing account, are distributed.

The parties hereto agree to amend Section 9.2 in the current SEIU Memorandum of Understanding (9/11/07-11/13/10) as noted below.

- B. Social Security participation for those opting into Social Security shall begin on ~~a date to be determined by all RTC employees. Should the effective date be other than~~ November 4, 2006. ~~;~~ ~~†~~The RTC shall ~~refund-distribute~~ to employees ~~the employee share, plus~~ any interest accrued on the employee share, for the period November 4, 2006 to the effective date of Social Security participation. For the same period any interest accrued on the employer share, ~~plus any accrued interest,~~ shall be paid into the RTC deferred compensation plan on behalf of the employee.
- F. For those employees who separate from employment with the RTC prior to completion of the Social Security participation process, the employee share plus any interest accrued on that share shall be distributed to the employee. The employer share, and any interest accrued on that share shall be paid into a deferred compensation plan or other retirement savings account on behalf of the employee.

The parties also agree that this side agreement shall be effective, and in force, for the period of the current Memorandum of Understanding.

Agreed to by:

SCCRTC Representative Date

SEIU Filed Representative Date