

MEMORANDUM OF UNDERSTANDING
By and Between
Washington State County of County and City Employees, AFSCME, Council 2,
Local (Union)
And
City of Sammamish (Employer)

Bargaining Agreement Regarding Impact of Tax Filing Corrections for 2020-2022

1. The City realized there was an issue with the payroll system that led to issues with withholding and tax changes that were corrected over an extended period of time with the help of outside professionals. This resulted in many staff being issued updated W-2s for the tax years 2020, 2021 and 2022, causing bargaining unit members to have to refile their taxes in some cases, and in some cases, incurring costs for tax professionals and penalties and interest with the IRS.
2. The City has corrected the payroll issues and the issue should not reoccur.
3. The Union subsequently filed a demand to bargain over the impacts associated with this issue, have met many times and exchanged information and have agreed to the following resolution:
 - a. Represented employees have until December 31, 2024, to file amended tax returns for 2020, 2021, and/or 2022, per the terms of this agreement. IRS deadlines may occur prior to that date and the City nor the Union are not providing tax advice in any form whatsoever.
 - b. Represented employees who file amended tax returns within the time frame defined in subsection a., above, may submit receipts detailing related tax preparation costs or filing fees specifically related to filing amended 2020, 2021, and/or 2022 returns - for 100% of their costs up to \$100 if costs were incurred. Receipts must clearly reflect a cost related to these specific tasks and identify the employee as the customer. The employee must also fill out the City's Employee

Reimbursement Form and provide the Finance Department with both documents.

- c. Any represented employee who submits for cost reimbursements for filing amended tax returns for 2020, 2021, or 2022 is eligible to submit to the City any official letter or notice from the IRS outlining any interest, fine, and/or penalties directly due to the City's payroll errors in 2020, 2021 and 2022 and receive 100% reimbursement for any interest, fine and/or penalties. IRS correspondence must identify the employee, the amount, and be related to the refiling of taxes for one or more years noted in this paragraph. An employee must submit the requisite documentation and form – along with proof of having paid the IRS the stated fee, fine, and/or penalties – no later than four weeks after the date on the notification from the IRS and those who have already received a notice at the time of this MOU's execution. The employee must also fill out the City's Employee Reimbursement Form and provide the Finance Department with both documents.
4. The parties agree that nothing in this Agreement shall establish a past practice or precedent regarding the interpretation or application of the labor agreement between the County and the Union. The Union and County agree not to cite this Agreement as precedent in any future labor negotiations, grievance processing, administrative proceeding, or labor arbitration except as may be necessary to enforce the terms of this Agreement.

Dated this 12th day of November, 2024.

FOR THE UNION:

Roger P. Moller
Roger P. Moller (Dec 3, 2024 16:19 PST)

Roger P. Moller
WSCCCE Staff Representative

Darci Donovan
Darci Donovan
President AFCME Local 1425

FOR THE EMPLOYER:

Scott MacColl

Scott MacColl
City Manager

Dated: 11/12/2024










1. Exhibit - 1 - Tax Expense MOU

Final Audit Report

2024-12-04

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|-----------------|---|
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"1. Exhibit - 1 - Tax Expense MOU" History

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