

FREQUENTLY ASKED EMPLOYEE QUESTIONS REGARDING BUDGET REDUCTION INCENTIVES

General Questions:

1. Are employees restricted to one incentive? *Answer: Incentives can and are being packaged with the exception of purchase of PERS credit. All incentives that have previously been offered are still on the table. Because PERS credit is so expensive for the County to purchase, it may limit the number of other incentives that can be used, but make your request, and it will be reviewed.*
2. Where do I find the Voluntary Labor Cost Reduction & Separation Incentives Form? *Answer: This form is located on the HR Website home page near the bottom of the page with the other incentive documents, and has been sent to all employees via email (<http://www.washoecounty.us/humanresources/>).*
3. Once I have submitted my form to my department head, what are the next steps? *Answer: You should indicate your interest to be considered for the foregoing incentives as well as those previously offered to your respective department head or human resources **by no later than Monday, March 30, 2009**. Management will then evaluate cost-benefit of all of the submitted requests.*
4. What other programs are being considered to assist employees who want to leave the organization but have not yet been approved? *Answer: Human Resources is working with departments and employees on a brokering program whereby employees that are interested in leaving the organization (but holding a critical to fill position within a department) may be considered for approval when there is the opportunity to replace them with an employee slated for possible lay off. Any questions regarding this process may be directed to your Association leadership or Katey Fox, Acting Human Resources Director.*

Separation Options:

Retiree Medical Service Credit up to 5 years.

1. Do I need to meet the five year PERS vesting requirement to qualify for retiree medical service credit? *Answer: Yes, to be eligible for the retiree medical service credit an employee must meet the five year PERS vesting requirement that would allow the individual to draw PERS when he or she retires.*
2. Is the retiree medical service credit incentive available to employees hired prior to 1997, as well as post 1997? *Answer: Yes, The retiree medical service credit incentive is available to employees who were hired pre and post 1997.*
3. How do you determine the amount of retiree medical service credit to apply to an approved individual? *Answer: Employees hired after 1997 may receive a subsidy towards the retiree*

health insurance premium based on the additional five years; employees hired before 1997 may receive service credit up to the next five year increment.

Sick Leave Cash-Out for non-public safety employees to increase the payout ratio from 50% of the excess over 300 hours to 75% of the excess over 300 hours; and increase the payout cap from 600 hours to a maximum of 750 hours.

1. Is ten years of full-time employment (or its equivalent if the employee has not served as a full-time employee) a requirement for the sick leave cash-out incentive? *Answer: No, not if an employee is retiring; WCC 5.255 provides that death, retirement or permanent disability or termination of an employee after 10 years of full-time employment for other than just cause are requirements for sick leave cash-out.*
2. Does an employee need to retire to be eligible for the sick leave cash-out incentive or does any separation qualify? *Answer: Retirement, permanent disability or termination after ten years of full-time employment (or equivalent if the employee has not served as a full-time employee) for other than just cause will meet the eligibility requirement.*

Delay Drawing PERS Benefits when an employee terminates employment with Washoe County, but still Receive Retiree Medical Payments by the County when the employee begins drawing PERS.

1. Does retiree medical insurance include dependent coverage? *Answer: No, retiree medical insurance does not include dependent coverage. However, individuals may elect to continue their dependent on the retiree medical insurance, but the individual is responsible for 100% of the dependent premium.*
2. Can retiree medical insurance be delayed for any amount of time? *Answer: Retiree medical insurance would coincide with when the individual actually begins receiving PERS benefits. Depending on the circumstances, the amount of time the individual delays retiring and the associated retiree medical insurance may depend upon the terms of the negotiated agreement.*

Purchase of PERS service years. (Purchase of PERS credit can only be requested for up to two years of service credit)

1. Will the purchase of PERS service affect my taxes? *Answer: PERS has indicated that the County's purchase of PERS credit is not an immediate tax event. Upon retirement, PERS income will be taxed. Please consult with your tax advisor for specific details related to your situation.*
2. Can I request the full 2 years? *Answer: You should submit your request via the "Voluntary Labor Cost Reduction & Separation Incentives Form" located on the HR website. Once all*

the requests are received, management will evaluate the cost-benefit of all the submitted requests.

**Voluntary severance pay to leave the organizations and agree to waive “bumping-rights.”
(Note this cannot be combined with purchase of PERS.)**

1. If I am laid off, will I get severance pay? *Answer: Yes, you may be eligible to receive up to 3 months pay depending on your years of service. 0 to 5 years equals 1 months’ pay, 5+ to 10 years equals 2 months’ pay, and 10+ years equals 3 months’ pay.*
2. If I volunteer for layoff am I eligible to receive severance pay? *Answer: Yes, you may be eligible for 3 months’ pay for volunteering for layoff and waiving bumping rights.*
3. Who can assist me in determining if I have “bumping rights”? *Answer: Please see HR as they can assist you with this information.*

Cost Reduction Options:

Purchase Compensatory Time by deferring merit increases or by foregoing longevity payment.

1. Where do I get the request forms for merit? *Answer: This form is available from your department HR Rep or on the Washoe County Human Resources web site at www.washoecounty.us/humanresources
Employees requesting consideration for voluntary labor cost reduction (such as compensatory time purchases) and separation incentives must also submit the Voluntary Labor Cost Reduction and Separation Incentives Form which can also be found on-line on the Washoe County Human Resources web site.*
2. When are the forms due for processing? *Answer: Requests for the purchase of compensatory time by deferring merit increases may be processed any time, but the terms of the request may not extend beyond June 30, 2010. The deadlines for receipt of requests to purchase compensatory time with longevity payments are as follows:*

Longevity Payroll	Request Deadline
<i>June 2009</i>	<i>April 30, 2009</i>
<i>December 2009</i>	<i>October 31, 2009</i>
<i>June 2010</i>	<i>April 30, 2009</i>
3. What is the timeline of merit actions that qualify for merit deferral? *Answer: Merit deferrals to purchase compensatory time, approved by department heads, may be processed at any time, but may not extend beyond June 30, 2010.*
4. It is too late to defer the December 2008 incentive, but can we defer for June 2009?

Answer: see #2 above.

Voluntary Unpaid Sabbaticals whereby the employee continues to receive County Paid Health Insurance Payments.

1. Does the employee retain seniority? *Answer: Sabbaticals in excess of 30 days will change an employee's seniority date. In addition, employees should be aware that unpaid sabbaticals will impact their PERS service time. Note: The County will not pay PERS contributions during the period of time the employee is on unpaid sabbatical.*
2. Can the County or the employee terminate the agreement early and if so, how much notice would be needed? *Answer: The terms of an approved sabbatical agreement whereby an individual continues to receive health insurance payments by the County will require a written agreement outlining the terms of the sabbatical (available from HR Reps or on the Washoe County Human Resources web site), including notice requirements. The ability to terminate an agreement and time frames for notice of same would be determined by the terms of the written agreement.*
3. If the employee wanted to terminate the agreement early, is the County obligated? *Answer: See answer to questions #2 above.*
4. If the employee chooses not to come back, would they have to pay back the health insurance premiums paid during the absence? *Answer: In general yes, subject to the terms of the agreement.*
5. How long does my sabbatical have to be? Could I do 6 months or does it have to be a minimum of one year? *Answer: The sabbatical should not extend beyond one year and may not extend beyond June 30, 2010, otherwise, there is not a "set" time length for a sabbatical, this is determined by cost savings and approved by the department head and budget.*

Voluntary reduced work hours:

1. If an employee needed to return to full time work sooner than originally agreed to, would they be able to? How long does the employee need to commit to the reduced hours? *Answer: This would be determined by the Department Head based on the budget needs of the department and what cost savings would be incurred relative to the administrative cost to process and track the incentive.*
2. Would benefits be reduced also? *Answer: Yes, Sick leave and vacation accruals are based on actual hours worked. Longevity pay is based on actual hours worked. Health Insurance would remain the same as long as the employee continues to work at least 21 or more hours/week. An individual will still need to be on paid status the day before and the day after to be eligible for Holiday pay; Holiday pay will also be prorated in accordance with the reduced work hour schedule.*

2.5% Pay Reduction

1. How will the 2.5% pay reduction impact part time employees? *Answer: Continuing part-time employees, as well as intermittent and temporary employees are included in the 2.5% pay reduction effective February 16, 2009 – just as employees in these types of positions receive increases along with continuing full time employees covered under applicable bargaining units they will also be reduced by 2.5% along with the continuing full-time employees. Continuing part-time employees accrue a prorated amount of leave based on the two hour per period accrual that full time employees receive and these accruals are based on time worked during the pay period. Although intermittent and temporary employees receive both increases and decreases in pay as approved in agreements with applicable associations, neither intermittent nor temporary employees are eligible for leave accruals.*