

VOLUNTARY EARLY SEPARATION INCENTIVE PROGRAM (VESIP) FACT SHEET AND FREQUENTLY ASKED QUESTIONS (FAQ'S)

The Voluntary Employee Separation Incentive Program (hereafter "VESIP") was approved by the Martin County Board of County Commissioners on July 28, 2020.

1. What are the details of the plan?

Eligible employees will receive:

- Two weeks of pay at the employee's current rate of base pay for each year of service as a classified full-time Martin County employee (service as an on call, contract, part-time, temporary, intern, co-op or any other non full-time service is excluded from calculation of payment under the program) up to a maximum of ten (10) years (service of six months and one day is rounded up to a full year for calculation of payment). This shall be a lump sum payment.
- The maximum number of weeks of pay an employee can receive under the program is twenty (20) weeks.

Your medical/dental insurance premium will be paid by the County at its current rate through 2/28/2021. Program participants will be responsible for their employee portion of the premium in effect and any subsequent employee increase.

Upon expiration of the health insurance benefit on February 28, 2021, program participants may elect continuation health coverage provided pursuant to Title X of the Consolidated Omnibus Budget Reconciliation Act (COBRA), as amended, in accordance with federal, state and local laws and regulations in effect at that time.

- Program participants are eligible to participate in the Martin County retiree health insurance plan if they meet plan criteria as of their last day of employment. The retiree health insurance premium and contribution levels that are in effect will be applicable to eligible program participants.

2. How do I know if I am eligible to participate in the VESIP?

This plan will be offered to all Martin County BOCC employees classified as full-time employees (excludes on call, contract, part-time, temporary, intern or co-op staff) with at least six (6) years and one (1) day of service as a full-time employee with MCBOCC by October 2, 2020.

Employees who are involuntarily terminated during the window period of this plan are not eligible to participate in the plan.

Please contact Human Resources if you have any questions on eligibility

3. How long do I have to sign up for the plan?

Eligible employees who are interested must complete an Application for Participation in the Voluntary Early Separation Incentive Program (VESIP). Completed applications forms must be received by Human Resources by close of business (5 p.m.) on September 14, 2020. Application forms are available by contacting Human Resources and will be sent out via email.

4. If I am on an approved leave of absence from the County, can I wait to return from my leave to make my election?

You must submit your application during the enrollment window. Enrollment can only be made during this time period. If you miss this window, you may not be permitted to enroll in this program at a later date.

5. When will I know if my application is approved?

Human Resources will review all applications to verify eligibility. The County will have the sole right to accept or deny any application for this program based upon financial, operational or the business needs of the County. Employees will be notified in writing by Human Resources (or department leadership) generally within 2 to 3 business days, but no later than October 2, 2020 if they were accepted or denied into the program.

Employees accepted into the program will receive the Agreement, Waiver and Release form. In order to participate, the form must be signed and returned to Human Resources by close of business (5 p.m.) on October 2, 2020.

6. May I review the Agreement, Waiver and Release form before submitting my application?

Yes, the Agreement, Waiver and Release form is available for everyone to view. You may also contact Human Resources to obtain a copy. It is recommended that employees consult with an attorney or other advisor.

7. If I am approved for the VESIP, what is my last day worked?

In general, the last day worked would be coordinated through the department but would be no later October 2, 2020. However, there may be some exceptions to these dates, based on the operational needs of the department.

8. Do I have to retire from Florida Retirement System (FRS) in order to participate in the VESIP?

No, you are not required to retire under the FRS Pension Plan or to withdraw funds from your FRS investment account.

9. How much will I receive for the cash payment portion?

There is not a fixed dollar amount. It is personalized to each participant based upon their years of eligible service and base pay.

For calculation purposes, eligible full-time service on 10/2/2020 of six (6) months or less will not be credited towards a full year of service. Eligible full-time service achieved by 10/2/2020 of six (6) months, one (1) day or more will be credited towards a full year of service for calculation purposes. (For example, an employee who has worked as a classified full-time employee for 5 years, 6 months, 2 days will be credited as having 6 years of eligible full-time service for calculation purposes under the program.)

For calculation purposes, base pay is the employee's current base rate of pay calculated at an hourly rate.

Example # 1

Employee's years of service with Martin County as of 10/2/2020: 7 years, 7 months (rounded up to 8 years)

Annual base salary: \$38,000

Weekly rate: $\$38,000/52 \text{ weeks} = \730.77

VESIP Benefit: $\$730.77 \times 16 \text{ (8 years of service} \times 2 \text{ weeks for each year)} = \$11,692.32^*$

Example # 2

Employee's years of service with Martin County as of 10/2/220: 15 years, 3 months

Annual base salary: \$60,000

Weekly rate: $\$60,000/52 \text{ weeks} = \1153.85

VESIP Benefit: $\$1153.85 \times 20 \text{ (max allowed years of service } 10 \times 2 \text{ weeks)} = \$23,077.00^*$

**All numbers are approximate. Actual payout will be determined by payroll. All payouts are subject to applicable taxes.*

10. Is overtime included in the base pay?

No, the cash payment is calculated using base pay only. It does not include overtime, shift differentials, etc.

Please contact Human Resources if you have any questions regarding your base pay.

11. Will cash payments received under the program be considered taxable income?

Yes, cash payments under this plan will be issued in the final payroll check and are subject to all applicable taxes.

12. If I elect to take a cash payout, can I put some or all of the funds into my Deferred Compensation account?

Generally, yes. Contact your Deferred Compensation account representative for additional information.

13. How long does the medical/dental insurance benefit continue under this plan?

Your medical/dental insurance premium will be paid by the County at its current rate through 2/28/2021. Program participants will be responsible for their employee portion of the premium in effect and any subsequent employee increase.

COBRA allows qualified beneficiaries on the health plan to continue coverage generally for a period of 18 months. Extended coverage may apply in certain situations.

14. What happens to my insurance coverage if I move out of the area?

The providers may change so you will need to check the list to find physicians covered under our plan in the area where you are moving. **You can also contact BCBS at 1-800-810-BLUE for assistance in locating physicians out of the area.** Please notify the Human Resource Department in writing with any changes to your address.

15. If I take the VESIP, will I be eligible to participate in the Martin County retiree health insurance plan, if I meet the eligibility requirements?

If the employee meets all other criteria as of their last day of employment, they are eligible to participate in the Martin County retiree health insurance plan under the current terms and conditions of the plan.

16. Can I change my insurance plan coverage (i.e. single/family, etc.)?

You may change insurance plan coverage during the County's open enrollment period.

Additionally, in certain circumstances, there are some situations which would allow you to change benefits plans. Contact our onsite Benefits Analyst, Brandie LaFave, if you have any questions regarding changing of benefit plans.

17. If I only want medical coverage and not dental coverage, can I receive a cash payout for the dental portion?

No, the insurance coverage may not be split.

18. Will I receive a payout of my unused PTO, vacation, sick, etc.?

You will be paid for all unused leave balances to which you are entitled, in accordance with the policies found in the Martin County "Human Resources Manual" for non-contractual

employees, or applicable collective bargaining agreement for contractual employees, with regard to payment of unused leave balances.

19. What about my supplemental insurance (AFLAC, supplemental life)?

Employees will be eligible to continue any additional insurance they may carry (e.g. AFLAC, Life Insurance, MetLife, etc.) in accordance with the coverage continuation rights under the policy. Employees are responsible for paying 100% of the premium cost for any voluntary insurance plan(s) they may elect to continue. Employees should contact:

AFLAC	Loire Lucas	772-708-5931
AFLAC	Karen Zabaglo	772-284-3210
MetLife	Janet Froyen	800-232-6763
The Standard	Customer Service	800-247-6888
Humana	Customer Service	1-877-398-2980

For program participants not eligible for retiree coverage that possess Life Insurance, please contact your Life Insurance representative as you may need to apply for a conversion. Non-retiree's may lose their life and disability insurance coverage upon separation.

20. Does participation in the VESIP prevent me from reemployment with Martin County?

Yes, employees who elect to participate in the VESIP will not be eligible for rehire for a period of two years from their last day of employment with Martin County, unless approved otherwise by the County Administrator or his/her designee. This restriction will apply to full-time, part-time and temporary or on call employment.

21. Will the premiums for the Martin County retiree health plan always remain at the current level?

Not necessarily, the Martin County retiree health insurance plan is subject to change. The cost of the insurance may go up or down.

22. I am currently enrolled in the Blue Options Health Insurance Plan, with a Health Reimbursement Account? Will I still be able to use the HRA?

Yes, you will be able to use your HRA through the end of the month in which you resign. If you retire, you can use your HRA through December 31, 2020.

23. I currently have a Flexible Spending Account (FSA); will I continue to be able to use the FSA?

No. Participation in the Martin County FSA program for calendar year 2020 will cease. You will not be able to incur new expenses under the Martin County FSA program for calendar year 2020 after your separation of employment, but you can continue to file through the end of the 2020 calendar year for expenses incurred while you were an active employee.

24. I am in DROP and I was scheduled to retire on October 30. Am I eligible to participate in the Voluntary Separation Plan?

You are eligible to participate in the plan as long as you meet the criteria by October 2, 2020.

25. Am I eligible to collect unemployment benefits?

Participants in the VESIP are considered as having voluntarily resigned or retired. Eligibility for benefits is determined in accordance with Florida Statutes Chapter 443. Check with the Unemployment office for specific answers to questions regarding unemployment benefits.

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