**MEMORANDUM**

 TO: ALL EMPLOYEES CURRENTLY ELIGIBLE FOR RETIREMENT UNDER UTAH RETIREMENT SYSTEMS REQUIREMENTS, OR WHO BECOME ELIGIBLE ON OR BEFORE JULY 1, 2021

FROM: BOARD OF COUNTY COMMISSIONERS OF WEBER COUNTY

DATE: OCTOBER 6, 2020

 **RE: RETIREMENT INCENTIVE WINDOW—JANUARY 1, 2021, THROUGH JULY 1, 2021**

After careful consideration, and after consulting with the Human Resources Department and the County Attorney’s Office, we have determined that the County will offer a retirement incentive in accordance with the terms and criteria set forth below. It will be available to all employees who are eligible to retire on or before July 1, 2021. The window of availability for this incentive will be from January 1, 2021, through and including July 1, 2021. This memorandum supersedes the memorandum we issued on September 22, 2020, with changes to sections 5, 6(a), and 6(c).

The following criteria must be satisfied to receive the incentive:

1. The employee must be employed with Weber County on September 22, 2020.
2. At the time of retirement, the employee must be eligible for retirement benefits under Utah Retirement Systems requirements.
3. The employee must have at least 10 years of service credit with Weber County.
4. There must be a cost savings to the employee’s department within two years of the employee’s retirement. Such savings must be demonstrated adequately to the county commission and the county comptroller.
5. The employee must give formal notice of the employee’s intent to request this incentive by filling out a retirement incentive form (available from Human Resources) and submitting it to Human Resources by December 31, 2020. On the form, the employee will be required to specify the date of retirement. The employee must retire on or before July 1, 2021, and shall not be eligible for re-hire except in accordance with state law and county policy.
6. The County will provide the following incentives:
	1. Lump Sum Payment. The employee will be paid a lump sum in the amount of up to 40 hours of pay for every year of service accumulated as an employee of Weber County, calculated at the employee’s rate of pay at the time of retirement. The calculation will be based on the average number of hours per week that were budgeted for the employee in 2020, so that, for instance, a full-time employee will receive 40 hours of pay per year of service, while an employee who was budgeted to work 20 hours per week in 2020 will receive 20 hours of pay per year of service. Partial years of service will be pro-rated.
	2. Accrued Leave and Compensatory Time. The employee shall be paid the value of accrued leave and compensatory time in accordance with county policy.
	3. Health Retirement Account or Insurance. Employees who are eligible for the post-retirement insurance incentive under Policy 4-300 may choose one of the following:
		1. Health Retirement Account. Under this option, health insurance will only be available in accordance with COBRA. However, the County will provide the equivalent value of five years of insurance in a health retirement account administered by a third party.
		2. Health Insurance. Alternatively, the employee may choose, instead, to receive the standard post-retirement insurance incentive described in Policy 4-300, which provides up to five years of health insurance. If this option is chosen, all terms of Policy 4-300 will apply to this benefit.
7. If the employee is re-hired by Weber County into a benefits-eligible position within the first five years after retirement, the employee will be obligated to repay, on a pro-rated basis, both the lump sum payment and, if applicable, the amount deposited into the health retirement account. (If an eligible employee selects the health insurance option, no repayment of the health insurance benefit will be required, except as stated in Policy 4-300.) The pro-rated percentage will be based on the number of full months that elapsed between the date of retirement and the date of re-employment, compared to 60 months (five years). Repayment must be made as follows:
	1. The lump sum payment must be repaid on a simple pro-rated basis.
	2. Employees will be required to repay (or forfeit if it has not yet been used) the amount in the health retirement account that exceeds the pro-rated amount.
	3. Here is an example using hypothetical numbers.
		* + An employee retires on January 1, 2021, and is rehired on July 27, 2022.
			+ In this example, 18 full months passed between retirement and re-employment.
			+ 18 divided by 60 equals 30%, so the employee is entitled to keep 30% of the incentive received and must repay the other 70%.
			+ If the employee received a lump sum payment of $10,000, the employee may keep $3,000 but must repay $7,000.
			+ If the employee received $10,000 in the health retirement account, and has used *more* than $3,000 of it before the date of re-employment, then the employee must repay the amount used that exceeds $3,000 and must forfeit the remaining unused amount.
			+ If the employee received $10,000 in the health retirement account, and has used *less* than $3,000 of it before the date of re-employment, then the employee does not need to repay anything from the health retirement account, but must forfeit $7,000 from the remaining unused account balance.
8. If the employee’s request for retirement with this incentive package is approved by the department head, Human Resources, and the county commission, the employee shall be required to sign an agreement detailing the terms of the retirement incentive and benefits, including the repayment requirement that may arise if the employee is re-hired by Weber County.

If you have questions or want further clarification regarding this matter, we suggest that you talk to your Division or Department Director or to the Human Resources Department.