

**2014 BUNCOMBE COUNTY
EMPLOYEE RETIREMENT INCENTIVE PLAN**

- A. The 2014 Buncombe County Employee Retirement Incentive Plan will be effective July 1, 2014 – September 30, 2014.
- B. To participate in this plan, an employee must:
1. Be eligible to receive an early (reduced) or service (unreduced) retirement benefit from the North Carolina Local Governmental Employees' Retirement System; and
 2. Submit a letter of voluntary resignation to their department head by August 22, 2014; and
 3. Receive approval of proposed resignation date from the department head; and
 4. Sign the 2014 Buncombe County Employee Retirement Incentive Plan Agreement & Waiver by August 22, 2014; and
 5. Leave employment on or before September 30, 2014;
- C. The 2014 Buncombe County Employee Retirement Incentive Plan includes:
1. One year of the employee's annual salary to be paid out on a bi-weekly basis over three years. Any remaining payments shall terminate upon the retiree's death and any remainder shall not be paid out to the retiree's beneficiary or estate.
 2. Employees with 18 or more years of service **with Buncombe County** may choose one of the two options as follows:
 - a. **Medicare Supplement Purchase Plan:** Upon the attainment of age 65 and eligibility for Medicare, the County of Buncombe shall purchase a monthly Medicare Supplement Plan F coverage and monthly Medicare Part D Prescription Plan for the remainder of the retiree's life. As future Medicare revisions and reforms take effect, should the current benefits of the Medicare Supplement Plan F and/or Medicare Part D no longer be offered, the County of Buncombe will provide the Medicare Supplement Plan and prescription drug plan that most closely mirrors the benefits of the Medicare Supplement Plan F and Medicare Part D. The purchase of all coverage shall be from an authorized carrier of the County's choice.
 - b. **Medicare Supplement Payment Plan:** Upon the attainment of age 65 and eligibility for Medicare, the County of Buncombe shall pay a monthly sum of \$268.00 (minus taxes) for the purpose of purchasing a Medicare Supplement and assisting in prescription drug costs. This amount shall be paid to the retiree for the remainder of the retiree's life. The amount of \$268.00 shall not be decreased or increased as future Medicare reforms and revisions take effect. Any and all payments shall terminate upon the retiree's death.
 2. A. Employees with less than 18 years of service **with Buncombe County** may receive the above **Medicare Supplement Purchase Plan** at a cost of \$100 per month.
 3. Employees covered by the County group medical/hospitalization plan for the three years immediately preceding retirement, shall be eligible to remain in the County group medical/hospitalization plan. The cost of such group medical/hospitalization insurance shall be paid entirely by the County for the employee only and shall be paid only until attainment of age sixty-five by the employee.
 4. Employees accepting the 2014 Buncombe County Employee Retirement Incentive Plan will be able to continue health insurance coverage for their dependents at the same premium that active employees pay for dependent coverage. Coverage for dependents may be continued until age 65 and/or Medicare coverage entitlement in the case of the spouse/domestic partner and until attainment of age 26 in the case of children.
- D. The 2014 Buncombe County Employee Retirement Incentive Plan shall not be retroactive to any employees who retired prior to July 1, 2014.

- E. Any employee accepting the 2014 Buncombe County Employee Retirement Incentive Plan will not be eligible for the Retirement Incentive Options found in the Personnel Ordinance, Article VII Section 4. H.
- F. Only those general county employees within departments under the authority and control of the County Manager shall be eligible for the 2014 Buncombe County Employee Retirement Incentive Plan. Employees within departments not under the authority and control of the County Manager such as those with appointed boards or elected officials shall be eligible only as follows:
1. The Departmental Chairman of the Board and Departmental Director or the Elected Official shall agree in writing that once the eligible employee has retired, the incumbent's former position shall be subject to the requirements outlined in this 2014 Buncombe County Employee Retirement Incentive Plan. The hiring rate/starting salary of new hired employees will be at the minimum rate established for the class at the lowest rate of the first quintet on the salary schedule. Appointments above this must receive approval of the County Manager.
 2. Non-general fund departments will have to pay the projected lifetime cost immediately to allow their employees to participate. The County Manager is authorized to arrange a multi-year payment plan where two or more employees accept this offer.
- G. This plan requires that any position vacated due to acceptance of the 2014 Buncombe County Employee Retirement Incentive Plan be placed in a job freeze bank and be subject by the County Manager to the following **cost reduction** reviews and actions:
1. The vacated position or an alternate comparable position or positions that total to the position costs, whose substitution shall be first approved by the County Manager, shall remain frozen for the period necessary to total the position costs of the incentive payment. Each position shall be reviewed by the County Manager for **possible position elimination** or **cost cutting** position reclassification downgrade. The County Manager is authorized to work out other cost reduction strategies with each department.
 2. The County Manager shall have the authority to release positions to be filled **prior** to the end of the total cost of the incentive payment.
 3. The County Manager may make substitutions and work with departments to ensure that all regulatory staffing is maintained in those areas that are required to work in ratio.
 4. Any employee accepting the 2014 Buncombe County Employee Retirement Incentive Plan will **not** be eligible for reemployment with Buncombe County in any capacity.
 5. The County Manager has the authority to approve a one-time temporary return to work of retired employees for "Mission Critical" positions for up to 90 days.
- H. In order to encourage future retirements and possible position eliminations and/or cost cutting initiatives, approval of this 2014 Buncombe County Employee Retirement Incentive Plan shall amend the Buncombe County Personnel Ordinance, Article VII Section 4. Deferred Compensation to include: "Any employee retiring on or before January 1, 2020 and having completed a minimum of 28 years of service with Buncombe County (15 continuous years for those employees required to be appointed by the Buncombe County Board of Commissioners) and having contributed to the North Carolina Local Governmental Employees' Retirement System for a minimum of 28 years (15 continuous years for those employees required to be appointed by the Buncombe County Board of Commissioners) shall upon retirement be eligible for the retirement benefit options in accordance with the requirements outlined in this 2014 Buncombe County Employee Retirement Incentive Plan to be referenced in the Personnel Ordinance in Appendix M. Any employee accepting the 2014 Buncombe County Retirement Incentive Plan will not be eligible for the Retirement Incentive Options found in the Personnel Ordinance, Article VII Section 4. H".
- I. In lieu of severance pay as provided in Article VIII of the Buncombe County Personnel Ordinance, the 2014 Buncombe County Employee Retirement Incentive Plan shall be offered to any employee whose position is eliminated due to a Reduction-In-Force in FY 2015 if such employee is eligible to receive an early (reduced) or service (unreduced) retirement benefit from the North Carolina Local Governmental Employees' Retirement System as of the effective date of such Reduction-In-Force.

Appendix M: 2014 Buncombe County Employee Retirement Incentive Plan

I. Any employee retiring on or before January 1, 2022 and having completed a minimum of 28 years of service with Buncombe County (15 continuous years for those employees required to be appointed by the Buncombe County Board of Commissioners) and having contributed to the North Carolina Local Governmental Employees' Retirement System for a minimum of 28 years (15 continuous years for those employees required to be appointed by the Buncombe County Board of Commissioners) shall upon retirement be eligible for the retirement benefit options in accordance with the requirements outlined in this 2014 Buncombe County Employee Retirement Incentive Plan. Any employee accepting the 2014 Buncombe County Retirement Incentive Plan will not be eligible for the Retirement Incentive Options found in the Personnel Ordinance, Article VII Section 4. H.

A. The 2014 Buncombe County Employee Retirement Incentive Plan includes:

1. One year of the employee's annual salary to be paid out on a bi-weekly basis over three years. Any remaining payments shall terminate upon the retiree's death and any remainder shall not be paid out to the retiree's beneficiary or estate.
2. Employees may choose one of the two options as follows:
 - a. **Medicare Supplement Purchase Plan:** Upon the attainment of age 65 and eligibility for Medicare, the County of Buncombe shall purchase a monthly Medicare Supplement Plan F coverage and monthly Medicare Part D Prescription Plan for the remainder of the retiree's life. As future Medicare revisions and reforms take effect, should the current benefits of the Medicare Supplement Plan F and/or Medicare Part D no longer be offered, the County of Buncombe will provide the Medicare Supplement Plan and prescription drug plan that most closely mirrors the benefits of the Medicare Supplement Plan F and Medicare Part D. The purchase of all coverage shall be from an authorized carrier of the County's choice.
 - b. **Medicare Supplement Payment Plan:** Upon the attainment of age 65 and eligibility for Medicare, the County of Buncombe shall pay a monthly sum of \$268.00 (minus taxes) for the purpose of purchasing a Medicare Supplement and assisting in prescription drug costs. This amount shall be paid to the retiree for the remainder of the retiree's life. The amount of \$268.00 shall not be decreased or increased as future Medicare reforms and revisions take effect. Any and all payments shall terminate upon the retiree's death.

- B. Employees covered by the County group medical/hospitalization plan for the three years immediately preceding retirement, shall be eligible to remain in the County group medical/hospitalization plan. The cost of such group medical/hospitalization insurance shall be paid entirely by the County for the employee only and shall be paid only until attainment of age sixty-five by the employee.
- C. Employees accepting the 2014 Buncombe County Employee Retirement Incentive Plan will be able to continue health insurance coverage for their dependents at the same premium that active employees pay for dependent coverage. Coverage for dependents may be continued until age 65 and/or Medicare coverage entitlement in the case of the spouse/domestic partner and until attainment of age 26 in the case of children.
- D. The 2014 Buncombe County Employee Retirement Incentive Plan shall not be retroactive to any employees who retired prior to July 1, 2014.
- E. Any employee accepting the 2014 Buncombe County Retirement Incentive Plan will not be eligible for the Retirement Incentive Options found in the Personnel Ordinance, Article VII Section 4.H.
- F. Only those general employees within departments under the authority and control of the County manager shall be eligible for the 2014 Buncombe County Employee Retirement Incentive Plan. Employees within departments not under the authority and control of the County Manager such as those with appointed boards or elected officials shall be eligible only as follows:
 - a. The Department Chairman of the Board and Departmental Director of the Elected Official shall agree in writing that once the eligible employee has retired, the incumbent's former position shall be subject to the requirements outlined in this Employee Retirement Incentive Plan. The hiring rate/starting salary of the new hired employees will be at the minimum rate established for the class at the lowest rate of the first quintet on the salary schedule. Appointments above this must receive approval of the County Manager.
 - b. Non-general fund departments will have the projected lifetime cost immediately to allow their employees to participate. The County Manager is authorized to arrange a multi-year payment plan where two or more employees accept this offer.

G. This plan requires that any position vacated due to acceptance of the 2014 Buncombe County Employee Retirement Incentive Plan be placed in a job freeze bank and be subject by the County Manager to the following **cost reduction** reviews and actions:

1. The vacated position or an alternate comparable position or positions that total to the position costs, whose substitution shall be first approved by the County Manager, shall remain frozen for the period necessary to total the position cost of the incentive payment. Each position shall be reviewed by the County Manager for **possible position elimination** or **cost cutting** position reclassification downgrade. The County Manager is authorized to work out other cost reduction strategies with each department.
2. The County Manager shall have the authority to release positions to be filled **prior** to the end of the total cost of the incentive payment.
3. The County Manager may make substitutions and work with departments to ensure that all regulatory staffing is maintained in those areas that are required to work in ratio.
4. Any employee accepting the 2014 Buncombe County Employee Retirement Incentive Plan will **not** be eligible for reemployment with Buncombe County in any capacity
5. *The County Manager has the authority to approve a temporary return to work of retired employees for “Mission Critical” positions.

II. †**CY 2017:** In lieu of severance pay as provided in Article VIII of the Buncombe County Personnel Ordinance, the 2014 Buncombe County Employee Retirement Incentive Plan shall be offered to any employee whose position is eliminated due to a Reduction-In-Force in through **CY 2017** if such employee is eligible to receive an early (reduced) or service (unreduced) retirement benefit from the North Carolina Local Governmental Employees’ Retirement System as of the effective date of such Reduction-In-Force.

* Approved by County Commissioners 06/16/2015 – removed “one-time” temporary return and removed “for up to 90 days”

† Approved by County Commissioners 06/16/2015 – extended “FY2015 ONLY” to CY2017

Appendix M: 2014 Buncombe County Employee Retirement Incentive Plan (effective July 1, 2016)

I. Any employee retiring on or before January 1, 2022 and having completed a minimum of 28 years of service with Buncombe County (15 continuous years for those employees required to be appointed by the Buncombe County Board of Commissioners) and having contributed to the North Carolina Local Governmental Employees' Retirement System for a minimum of 28 years (15 continuous years for those employees required to be appointed by the Buncombe County Board of Commissioners) shall upon retirement be eligible for the retirement benefit options in accordance with the requirements outlined in this 2014 Buncombe County Employee Retirement Incentive Plan. Any employee accepting the 2014 Buncombe County Retirement Incentive Plan will not be eligible for the Retirement Incentive Options found in the Personnel Ordinance, Article VII Section 4. H.

A. The 2014 Buncombe County Employee Retirement Incentive Plan includes:

1. One year of the employee's annual salary to be paid out on a bi-weekly basis over three years. Any remaining payments shall terminate upon the retiree's death and any remainder shall not be paid out to the retiree's beneficiary or estate.
2. Consistent with the Buncombe County Personnel Ordinance, Employees may choose one of the two options as follows:
 - a. Medicare Supplement Payment Plan: Upon the attainment of age 65 and eligibility for Medicare, the County of Buncombe shall pay a monthly sum of \$268.00 (minus taxes) for the purpose of purchasing a Medicare Supplement and assisting in prescription drug costs. This amount shall be paid to the retiree for the remainder of the retiree's life. The amount of \$268.00 shall not be decreased or increased as future Medicare reforms and revisions take effect. Any and all payments shall terminate upon the retiree's death.
 - b. Lump Sum Payment Plan. At the time of retirement the retiree is entitled to a one-time payment of one-half of the retiree's annual salary. (As specified in Article VII Section 4.H.2.c of the Buncombe County Personnel Ordinance).¹

B. Employees covered by the County group medical/hospitalization plan for the three years immediately preceding retirement, shall be eligible to remain in the County group medical/hospitalization plan. The cost of such group medical/hospitalization insurance

¹ Approved by County Commissioners 06/21/2016 effective 07/01/2016

shall be paid entirely by the County for the employee only and shall be paid only until attainment of age sixty-five by the employee.

- C. Employees accepting the 2014 Buncombe County Employee Retirement Incentive Plan will be able to continue health insurance coverage for their dependents at the same premium that active employees pay for dependent coverage. Coverage for dependents may be continued until age 65 and/or Medicare coverage entitlement in the case of the spouse/domestic partner and until attainment of age 26 in the case of children.
- D. The 2014 Buncombe County Employee Retirement Incentive Plan shall not be retroactive to any employees who retired prior to July 1, 2014.
- E. Any employee accepting the 2014 Buncombe County Retirement Incentive Plan will not be eligible for the Retirement Incentive Options found in the Personnel Ordinance, Article VII Section 4.H.
- F. Only those general employees within departments under the authority and control of the County manager shall be eligible for the 2014 Buncombe County Employee Retirement Incentive Plan. Employees within departments not under the authority and control of the County Manager such as those with appointed boards or elected officials shall be eligible only as follows:
 - a. The Department Chairman of the Board and Departmental Director of the Elected Official shall agree in writing that once the eligible employee has retired, the incumbent's former position shall be subject to the requirements outlined in this Employee Retirement Incentive Plan. The hiring rate/starting salary of the new hired employees will be at the minimum rate established for the class at the lowest rate of the first quintet on the salary schedule. Appointments above this must receive approval of the County Manager.
 - b. Non-general fund departments will have the projected lifetime cost immediately to allow their employees to participate. The County Manager is authorized to arrange a multi-year payment plan where two or more employees accept this offer.
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possible position elimination or **cost cutting** position reclassification downgrade. The County Manager is authorized to work out other cost reduction strategies with each department.

2. The County Manager shall have the authority to release positions to be filled **prior** to the end of the total cost of the incentive payment.
 3. The County Manager may make substitutions and work with departments to ensure that all regulatory staffing is maintained in those areas that are required to work in ratio.
 4. Any employee accepting the 2014 Buncombe County Employee Retirement Incentive Plan will **not** be eligible for reemployment with Buncombe County in any capacity
 5. The County Manager has the authority to approve a temporary return to work of retired employees for “Mission Critical” positions.
- II. In lieu of severance pay as provided in Article VIII of the Buncombe County Personnel Ordinance, the 2014 Buncombe County Employee Retirement Incentive Plan shall be offered to any employee whose position is eliminated due to a Reduction-In-Force in through September 1, 2016² if such employee is eligible to receive an early (reduced) or service (unreduced) retirement benefit from the North Carolina Local Governmental Employees’ Retirement System as of the effective date of such Reduction-In-Force.
- III. Effective July 1, 2016, any employee who files a letter of retirement with the Human Resources Department by September 1, 2016 specifying a specific date of retirement between July 1, 2016 and January 1, 2020 and retires from the County no later than January 1, 2020, shall only need to complete 18 years of service with Buncombe County and qualify for an unreduced retirement under the Local Government Employee Retirement System (LGERS) on his or her selected date of retirement to be eligible for the early retirement benefits as set forth in Paragraph I of this Policy. Employees who fail to retire by the date set out in their letter of retirement must requalify for eligibility under Paragraph I of this Policy. Employees may be able to retire earlier than the date set forth in their letter of retirement so long as the employee meets the eligibility retirement set forth in Paragraph III on their new date of retirement.³

² Approved by County Commissioners 06/21/2016 effective 07/01/2016

³ Approved by County Commissioners 06/21/2016 effective 07/01/2016