

## ***General Information***

**1. Is there a specific time period for applying for early separation from employment under the VSP?**

*Answer:* Yes. Each early separation offer will have a “window” during which applications may be accepted. VSP packets will be available beginning May 21, 2009 through 5:00p.m. June 22, 2009. Qualified employees are required to personally pickup their VSP packet during the above filing period from the Human Resources Department, Customer Service, 2225 Civic Center Drive, Suite 226, Monday-Thursday from 8:00am– 6pm. Doors to the building lock at 5:45pm. Employees should carefully read all of the information that is part of the VSP application and complete and submit all required forms. Employees do not need to submit a separate letter of resignation. A completed and signed VSP application and Agreement and Release are equivalent to a letter of resignation.

**2. When I first started working for the City, I had previously acquired 15 years of service with another local public sector agency. Will I receive credit for this time in consideration of the VSP?**

*Answer:* No, credit will only be given toward years of full-time service with the City of North Las Vegas.

**3. Will I get paid for my eligible accrued annual, sick leave and holiday balances if I participate in the VSP?**

*Answer:* Yes. Eligible employees who participate in the VSP will be paid at 100% for accrued annual, sick and holiday leave balances in accordance with City policy or the applicable collective bargaining agreement.

**4. How much of the VSP benefit is taxable?**

*Answer:* Federal income tax withholding on regular pay will be based on the current W-4 information on file. The Federal income tax withholding on supplemental wages (incentive payments, vacation, and sick payouts) will be withheld at 25 percent unless the employee claims exempt on their W-4.

**5. Are there limitations on working for the City of North Las Vegas after I participate in the VSP? What are the limitations?**

*Answer:* Employee eligibility for reemployment will be at the discretion of the City Manager, on a case-by-case basis, with recommendation by the Human Resources Director.

Failure to include information about participation in the City of North Las Vegas Voluntary Separation Package (VSP) program when applying for any type of employment or contract service with the City of North Las Vegas within thirty-six months of separating from City service is grounds for immediate termination.

**6. How do I know if I can separate my employment with the City on the initial date chosen by me and my supervisor? Does the City have the authority to change this date without my consent?**

*Answer:* Employees receiving approval from the City Manager to participate in the VSP program must commit to separate by an agreed upon date. Your actual last day of employment will be determined by your Department's Director or designee and the Human Resources Department, and yes, the City does retain the ability to modify that date.

**7. I am in the process of getting divorced. What effect, if any, will a court order have on my application for the VSP?**

*Answer:* You should consult with your attorney or representative concerning any potential issues.

**8. What steps should I take when I get close to my separation date through participation in the VSP?**

*Answer:* Make an appointment with the Human Resources Analyst assigned to your department to review your official personnel records to ensure all of your records are complete and accurate, all service is verified, and your insurance coverage is documented.

Obtain information about other benefits to which you may also be eligible, such as health insurance options and other entitlements based on your employment with the City. You should have a comprehensive picture of all sources of your early separation income and when each is payable.

- If considering retirement, attend a PERS counseling seminar.
- If applicable, meet with your deferred compensation representative.

## ***Unemployment Benefits***

**9. If I participate in the VSP and leave City employment, am I eligible to apply for and collect unemployment benefits?**

*Answer:* You should contact the Employment Security Division of DETR for any questions you have regarding eligibility for unemployment benefits. The telephone contact information is (702) 486-0350 or Toll-Free at (888) 890-8211. You may also visit their website at [DETRUI-S@nvdetr.org](mailto:DETRUI-S@nvdetr.org).

## ***Deferred Compensation Options***

### **10. Can I use the City's Deferred Compensation plans to defer taxes on my separation severance benefit and/or leave payouts?**

*Answer:* You should contact the vendor representative with whom you have your Deferred Compensation plan for your plan options.

ICMA: Jennifer Perry 866-792-3187 or [jperry@icmarc.org](mailto:jperry@icmarc.org)

Great West: Scott or Tracy 800-933-9808 or [scott.taylor@gwrs.com](mailto:scott.taylor@gwrs.com) / [tracy.cook@gwrs.com](mailto:tracy.cook@gwrs.com)

### **11. Once I leave City employment, do I have access to my 457 deferred compensation account?**

*Answer:* Yes. Upon leaving City employment, you have the option to withdraw funds immediately. Unlike the 401(a) plan, there are no age limitations on withdrawals from 457 plans; however, withdrawals must begin by age 70½. Please note that any funds withdrawn are subject to normal income taxes. You may also rollover your 457 plan funds into another qualifying retirement account.

### **12. I currently have a loan against my 457 deferred compensation account. What happens to that loan once I leave City employment?**

*Answer:* All loans against your deferred compensation account are due and payable in full upon leaving City employment. You may not continue to make payments against your loan once you have left City employment. If you cannot pay off the loan, the remaining loan amount will be considered a distribution and ordinary income subject to tax during the year of the distribution.

You should contact the vendor representative with whom you have your Deferred Compensation plan for your plan options.

### **13. Can I purchase Nevada PERS service credit using my deferred compensation accounts?**

*Answer:* You should consult with both Nevada PERS and your deferred compensation representative to ask your questions and coordinate the process.

**14. How do I contact deferred compensation plan representatives for additional information on the plans?**

*Answer:* ICMA: Jennifer Perry 866-792-3187 or [jperry@icmarc.org](mailto:jperry@icmarc.org)

Great West: Scott or Tracy 800-933-9808 or [scott.taylor@gwrs.com](mailto:scott.taylor@gwrs.com)  
[/tracy.cook@gwrs.com](mailto:tracy.cook@gwrs.com)

***Nevada Public Employees Retirement System (PERS) and Purchase of Service Credit***

**15. What are the retirement ages under Nevada PERS?**

*Answer:* The following are the retirement ages under Nevada PERS for an unreduced benefit:

<b>Regular Members</b>	<b>Police and Fire Members</b>
5 years of PERS service @ age 65	5 years of PERS service @ age 65
10 years of PERS service @ age 60	10 years of PERS service @ age 55
30 years of PERS service @ any age	20 years of PERS service @ age 50
—	25 years of PERS service @ any age

**16. Can I take a retirement from Nevada PERS if I do not meet the criteria noted above?**

*Answer:* If you are a vested member in Nevada PERS, which requires 5 years of Nevada PERS service credit, you may be eligible for a reduced benefit. The benefit reduction is approximately 4 percent for each year you leave early. Please contact Nevada PERS for more details on “early retirement” options.

**17. How do I contact Nevada PERS for more information on my retirement eligibility and benefits?**

*Answer:* Contact Nevada PERS at 1-866-473-7768 or visit a local Nevada PERS office to arrange for a retirement benefit and/or retirement counseling meeting. The local offices are located at:

- 5820 S. Eastern Avenue, Suite 220, Las Vegas, NV 89119
- 7455 W. Washington Avenue, Suite 150, Las Vegas, NV 89128

You may obtain a general estimate of your retirement benefit online by going to [www.nvpers.org](http://www.nvpers.org) and selecting *Benefit Estimator* located on the upper left hand side. Please note that the website provides only an estimate. Only a Nevada PERS representative can provide you with the actual benefit you would be eligible to receive.

**18. How do I find out more about retirement under Social Security and any relationship it has with my Nevada PERS pension?**

*Answer:* Your benefits under Social Security may be impacted under the Windfall Elimination Provision (WEP) and/or the Government Pension Offset (GPO) because you did not pay Social Security taxes while covered under Nevada PERS. You can contact the Social Security Administration at 1-800-772-1213 or see the Social Security website, [www.socialsecurity.gov](http://www.socialsecurity.gov), for more information.

**19. What are my re-employment limitations once I begin receiving retirement benefits from Nevada PERS?**

*Answer:* Your ability to work in retirement is limited only if you subsequently are employed with another Nevada public employer. If you decide to return to the workforce with a Nevada public employer, please contact Nevada PERS regarding the applicable waiting period and earnings limitations.

**20. Can I purchase service credit with Nevada PERS?**

*Answer:* Employees with five years of Nevada PERS service credit are eligible to purchase up to five years of additional service credit. You may visit the Nevada PERS website and obtain a cost estimate for the service purchase. Only Nevada PERS can provide you with the actual cost of a service credit purchase.

Contact Nevada PERS in order to obtain a service credit purchase agreement. This will contain the actual cost of the service credit purchase as well as the deadline for submitting payment.

**21. Can I use my last paycheck, including leave payouts, to purchase Nevada PERS service credit?**

*Answer:* It depends on your specific situation. You should discuss this option with Nevada PERS to see whether you are eligible to make a service credit payment to Nevada PERS after you have left City employment.

Generally speaking, an employee retiring immediately after leaving City employment will have a 30 day grace period to complete a service credit purchase if the agreement is requested prior to termination of employment. If you are interested in pursuing this option, discuss it with Nevada PERS before completing your service credit purchase agreement to ensure that the payment due date falls

between your retirement date and the 30 day grace period. If you wish to enter into an agreement that will be paid through the direct transfer of all or any portion of the member's interest in a section 401(a) qualified trust, 401(k), 403(b), 457 or Individual Retirement Account (IRA) under the Economic Growth & Tax Relief Reconciliation Act (EGTRRA), you must submit a request at least 60 days prior to the anticipated date of payment.

Employees participating in the VSP, but who do not retire, have additional limitations on the ability to purchase Nevada PERS service credit once they leave City employment. Please contact Nevada PERS for additional information.

**22. Will the City make the service credit payment directly to Nevada PERS on my behalf?**

*Answer:* No, it will be your responsibility to enter into a service credit purchase agreement with Nevada PERS and make the required payment on a timely basis.

***Post-Employment Teamster Health Insurance Options***

**23. When does my City-paid Teamster health insurance end if I leave City employment under the VSP?**

*Answer:* Your coverage under the Teamsters Trust Health Plan will continue up to two months after leaving City employment. This is due to the pre-funding method for paying the Teamsters Trust Health Plan premium. The coverage term date is based on the date in which your City employment ends. Please see examples below:

<b>Employment End Date <i>1<sup>st</sup> – 15<sup>th</sup></i></b>	<b>Coverage through the end of this month</b>
July	August
August	September
September	October
<b>Employment End Date <i>15<sup>th</sup> – 31<sup>st</sup></i></b>	<b>Coverage through the end of this month</b>
July	September
August	October
September	November

**24. Is there a minimum amount of time that I must work to be eligible for Retiree Teamster Health Insurance?**

*Answer:* Yes. To be eligible for Plan benefits as a retiree, you must have been an active employee for a period of 60 consecutive-months immediately before retirement. If you qualify and choose the retirement option, you will be required to send Zenith Administrators a copy of your Pension Award Letter along with your Retiree Election Form with your benefit option identified. In order to receive this Award Letter, you will need to contact PERS at (775) 687-4200.

Additionally, if you do not meet the required 60 consecutive-month requirement, you will never be eligible for Retirement benefits. If you begin work with another Local 14 Employer, the 60 consecutive-months starts over, and you are not allowed to supplement the 60 month requirement from your City of North Las Vegas service. It is your responsibility to contact Zenith Administrators at (702) 734-8601 to confirm your eligibility.

**25. Once my City paid Teamster health insurance ends, what are my health insurance options if I elect to retire from City employment?**

*Answer:* You will have the option to continue this coverage as a retiree beginning on the first of the month following your coverage termination date.

**Please Note: If you are retiring and electing retiree coverage under the Teamsters Health Plan, please contact Zenith Administrators at (702) 734-8601 to request a retiree enrollment packet and to obtain the cost.**

Once you have received the retiree enrollment packet, please contact the Human Resources Analyst assigned to your department to coordinate the first three months' premium payment.

**26. Will my retiree premiums change in the future?**

*Answer:* Retiree premiums are subject to change with the beginning of the plan year, July 1<sup>st</sup>.

**27. If I leave City employment and do not continue health insurance coverage as a retiree, am I eligible to enroll in the Teamsters Trust Health Plan in the future?**

*Answer:* The City understands that once you leave the Teamsters Trust Health Plan, you will not be permitted to return to the plan as a retiree. For more information, please contact Zenith Administrators at (702) 734-8601.

**28. What are my health insurance options if I elect to resign employment from the City and do not immediately retire under Nevada PERS, and thus am not eligible for retiree health insurance coverage?**

*Answer:* You will remain covered under your current health insurance as explained in question twenty-three in this section after you leave City employment.

If you elect not to retire, you and your covered dependents have rights under COBRA to continue coverage under the Teamsters Trust Health Plan for a period up to eighteen months.

**Please contact Zenith Administrators at (702) 734-8601 to request a COBRA enrollment packet.** Once you have the COBRA enrollment packet, please contact the Human Resources Analyst assigned to your department to coordinate the first three months' premium paid by the City.

**Teamsters Trust Health Plan or Health Plan of Nevada (HPN)  
Monthly Premium Rates for COBRA Continuation Coverage**

Medical Only (for member and dependents)	\$ 609.63
Medical, Dental, and Vision (for member and dependents)	\$ 705.85

**29. Will the City pay any of my COBRA or retiree health insurance premium? If so, how much will the City pay?**

*Answer:* Under the VSP, the City agrees to pay the first three months of your COBRA or retiree premium.

***Post-Employment City Plan (Fire, Police, Appointed, Confidential)  
Health Insurance Options***

**30. When does my City plan paid health insurance end if I leave City employment under the VSP?**

*Answer:* Your coverage under the City Plan will continue to the end of the month you leave City employment.

**31. Is there a minimum amount of time that I must work to be eligible for Retiree City Plan Health Insurance?**

*Answer:* Yes. To be eligible for the City Plan benefits as a retiree, you must have been an active employee for a period of 60 consecutive-months immediately before retirement. If you qualify and choose the retirement option, you will be required to send the Human Resources Analyst assigned to your department a copy of your Pension Award Letter along with your Retiree Election Form with your benefit option identified. In order to receive this Award Letter, you will need to contact PERS at (775) 687-4200.

Additionally, if you do not meet the required 60 consecutive-month requirement, you will never be eligible for Retirement benefits. If you begin work with another public agency, the 60 consecutive-months starts over, and you are not allowed to supplement the 60 month requirement from your City of North Las Vegas service.

**32. Once my City paid health insurance ends, what are my health insurance options if I elect to retire from City employment?**

*Answer:* You will have the option to continue this coverage as a retiree beginning on the first of the month following your coverage termination date.

Once you have received the retiree enrollment packet, please contact the Human Resources Analyst assigned to your department to coordinate the first three months' premium payment.

**33. Will my retiree premiums change in the future?**

*Answer:* Retiree premiums are subject to change with the beginning of the plan year, July 1<sup>st</sup>.

**34. If I leave City employment and do not continue health insurance coverage as a retiree, am I eligible to enroll in the City Health Plan in the future?**

*Answer:* Once you leave the City Health Plan, you will not be permitted to return to the plan as a retiree.

**35. What are my health insurance options if I elect to resign employment from the City and do not immediately retire under Nevada PERS, and thus am not eligible for retiree health insurance coverage?**

*Answer:* Your coverage for the current health insurance premium will continue to the end of the month you leave City employment.

If you elect not to retire, you and your covered dependents have rights under COBRA to continue coverage under the City Health Plan for a period up to eighteen months.

Please contact the Human Resources Analyst assigned to your department to request a COBRA enrollment packet and to coordinate the first three months' premium paid by the City.

**City Health Plan COBRA  
Monthly Premium Rates for  
Effective July 1, 2009**

Medical	\$811.31
Dental	\$61.85
Vision	\$8.94
TOTAL	\$882.10

**36. Will the City pay any of my COBRA health insurance premium or retiree health insurance premiums?**

*Answer:* Under the VSP, the City agrees to pay the first three months of your COBRA or retiree health insurance premium.

### ***Flexible Spending Accounts***

**37. I am currently participating in the medical expense IRS Section 125 (Flexible Benefits) Plan. What happens to this account when I leave City employment?**

*Answer:* You have several options to access your medical expense IRS Section 125 (Flexible Benefits) flexible spending account (FSA) after you leave employment. You may elect to continue eligibility for the medical FSA through COBRA by making the same monthly contributions to your medical FSA, on an after tax basis, and continue to use your account as though you were an active employee for the remainder of the plan year, June 30, 2009.

The second option is to stop making contributions to your FSA upon leaving employment. If you choose not to continue to contribute on an after-tax basis through COBRA for the medical FSA, you may submit claims for reimbursement of expenses up to 90 days from the end of the plan year; however, the medical expenses **must** have been incurred on or before your final day of employment.

**38. I am currently participating in the dependent care flexible spending account (FSA). What happens to this account when I leave City employment?**

*Answer:* The dependent care FSA cannot be continued beyond your City employment. You will be eligible to access the balance of your account for reimbursement for eligible dependent care expenses that were incurred while employed at the City.

## ***Leave Accruals***

**39. Can I select my last day to be at work and then use accrued leave to extend my actual termination date, thus extending my salary and benefits with the City?**

*Answer:* No, your last day at work is your termination date, and all eligible leave accruals will be paid at that time.

## ***Worker's Compensation***

**40. I have an open worker's compensation claim and I elect to leave City employment. What happens to my claim?**

*Answer:* Your worker's compensation claim will remain open until you have reached maximum medical improvement. All benefits remain the same as though you were an active employee.

**41. I have a closed worker's compensation claim and I elect to leave City employment. Do I have any claim rights once I leave employment with the City?**

*Answer:* If you have a closed worker's compensation claim, NRS 616C.390 covers re-opening, which is the same whether or not employed with the City.

## ***Medicare***

**42. Am I eligible for Medicare if I participate in the VSP?**

*Answer:* Generally, if you are age 65 or older and have sufficient quarters of coverage based on your earnings, you are eligible to enroll in Medicare.

**43. How do I find out if I am eligible for Medicare coverage?**

*Answer:* You should contact the Social Security Administration (SSA) at least three months before your 65th birthday to apply for benefits. The SSA will have

records pertaining to your eligibility for Medicare coverage. If they do not, and you need to get a statement of your earnings for this purpose, you can write to:

General Services Administration  
National Personnel Records Center  
Civilian Personnel Records  
111 Winnebago Street  
St. Louis, Missouri 63118

You should provide the following information in your request:

- Your name, as shown on your payroll records
- Date of birth
- Social Security Number
- Mailing address
- Years for which earnings are needed
- Name and location of employer for each year
- Reason for request
- Written signature, and
- A statement that all other sources of information have been exhausted

#### **44. How do I obtain more information about Medicare?**

*Answer:* Call 1-800-MEDICARE (1-800-633-4227), or visit their website:  
<http://www.medicare.gov>.

### ***Final Paycheck, Address Changes, Direct Deposit Sign Ups, Income Tax Withholdings, and Other Withholdings***

#### **45. How will I received my final paycheck and what will it include?**

*Answer:* Your final paycheck will be processed through regular payroll cycles. You will receive payment which will include your normal wages for the pay period, your VSP separation incentive payment, and payment of your eligible leave accruals.

If you are using direct deposit for your regular paychecks, your final VSP separation incentive payments will be direct deposited; otherwise, you will receive a paper check.

#### **46. How do I sign up for direct deposit?**

*Answer:* Since it takes up to two pay periods for new or changed direct deposit elections to take effect, please sign up for direct deposit well in advance of your final paycheck. You may contact Human Resources-Customer Service at (702) 633-1501 for more information.

**47. Will my final paycheck contain all funds due to me, including regular pay, leave payments, and the incentive payments?**

*Answer:* Yes, your final paycheck will include any regular salary and payouts due.

**48. What will be the tax withholding on my final paycheck? Can I change my tax withholding to minimize the federal taxes taken from my final check?**

*Answer:* Federal income tax withholding on regular pay will be based on the current W-4 information on file. The Federal income tax withholding on supplemental wages (incentive payments, vacation, and sick payouts) will be withheld at 25 percent unless the employee claims exempt on their W-4. If the employee requests, the City can withhold based on their current W-4 election form. Due to possible tax penalties for underpayment, we advise employees to check with a tax consultant before claiming exempt status on the W-4.

**49. Other than Federal taxes, what other deductions will be taken out of my final paycheck?**

*Answer:* Since every pay period's deductions could be different, it is extremely important for employees to know their deductions and which pay period their final checks will be distributed so they can make appropriate changes to the final check.

**50. Can I expect to receive my final check on my last day of work?**

*Answer:* No, all payouts are included and processed according to the regular payroll cycles. The final check will depend on the payroll ending date, which includes the last day worked.

**51. Once I leave City of North Las Vegas employment, do I need to let the City know of any future address changes?**

*Answer:* If you continue the City Plan for health insurance, it is your responsibility to ensure that the Human Resources Department has your correct address on file.

If you continue your health insurance coverage through Teamsters Trust Health Plan, it is your responsibility to ensure the third party administrator, Zenith Administrators, has your correct address on file. Additionally, it is your responsibility to keep Nevada PERS aware of address changes. If you move in the calendar year in which you leave, please report your address change to the City of North Las Vegas so that your W-2 may be mailed to the correct address. Please mail all correspondence to:

City of North Las Vegas  
Human Resources Department  
2225 Civic Center Drive, Suite 226  
North Las Vegas, NV 89030