

# EMPLOYEE BENEFITS

County of Riverside Human Resources

*Great Benefits For A Great Place To Work*



## LIUNA & SEIU POST EMPLOYMENT PROGRAM CHANGES

**\*\*\*ATTENTION\*\*\***

**All LIUNA & SEIU employees (excluding Court employees) with at least five years of service**

Due to recent changes in IRS regulations, the County is required to amend the Post Employment Program (PEP) for certain employee groups. The PEP program consists of two options; the Special Pay Plan and the VEBA Health Savings Plan. The option for a Special Pay Plan is no longer available to employees represented by LIUNA and SEIU, but the option for a Health Savings Plan is still available. To ease the burden of this regulatory change, the County has made changes to the Health Savings Plan, which are described below. The County has developed other tools to help employees plan for retirement. You will receive further information that outlines additional retirement options to better assist you in making your retirement choices.

Under one amended program, employees represented by LIUNA or SEIU who retire with five or more years of service with the County of Riverside will have all accrued vacation (to a maximum of 480 hours), extra vacation, and eligible sick leave, contributed to a VEBA Health Savings Plan account. The VEBA Health Savings Plan provides significant tax advantages to retirees because contributions, investment earnings, and distributions are exempt from State and Federal income taxes, as well as Social Security and Medicare taxes, (and are not counted toward Social Security earnings). This benefit provides much-needed assistance in paying for health expenses (including premiums for Medicare and other health plans), during your retirement years, on a tax-free basis.

All accrued vacation and other qualifying leave will be contributed to the VEBA Health Savings Plan at the rate of the employee's current salary value. The amount of accrued sick leave contributed to the VEBA Health Savings Plan will vary depending on the length of County service:

- Employees who retire with 5 or more years, but less than 15 years, of County service, will have all accrued sick leave contributed to the VEBA Health Savings Plan at fifty percent (50%) of their current salary value, up to a maximum of 960 hours of full pay.
- Employees who retire with 15 or more years of County service will have all accrued sick leave contributed to the VEBA Health Savings Plan at one hundred percent (100%) of their current salary value, up to a maximum of 960 hours of full pay.

It is important to keep in mind that these rules apply only to employees who are retiring from County service. If you leave County service for any other reason, you will have all accumulated leave paid to you at the point of separation in accordance with the rules outlined in the MOU that applies to you.

**For more information on this plan or to locate forms to make your elections, please visit [www.workforceexchange.net](http://www.workforceexchange.net). For additional assistance you may also call the County of Riverside's Benefit Information Line at (951) 955-4981 and select option 1. A retirement specialist will be happy to assist you.**



Alternative formats are available. Reasonable accommodation is available if requested at least two weeks prior to the date of assistance needed. For assistance, please call Employee Benefits at (951) 955-4981 and select Option 1 for retirement benefits.