



SEQUIM SCHOOL DISTRICT

Engage * Empower * Thrive

January 2022

Payroll & Benefits Newsletter

Washington's Paid Family and Medical Leave Program. Let's all get ready to be there for care.

In January 2019, Washington employees and many employers began investing in a statewide program to provide paid leave to give or receive care. The benefit began in 2020.

Paid Family and Medical Leave supports Washingtonians, whether they are recovering from a serious illness or injury, caring for a new child or helping an aging parent. It means workers won't have to choose between a paycheck and caring for their health and their family.

What it is:

The program is mandatory because the spirit Behind this benefit is one of understanding That at some time we all need, or need to give, Extra care and attention.

Who's eligible:

Nearly every Washington employee who Works at least 820 hours (approximately 16 hours weekly) qualifies for the program. All paid work counts toward the 820 Hours, including part-time, seasonal, and Temporary work. To learn more, visit Paidleave.wa.gov.


Benefit details:

- Allows up to 12 weeks of paid leave, or Up to 18 weeks in certain circumstances
- Workers receive between \$100 and \$1,327 per week, depending on income.

Your Contribution:

You may have seen a premium set aside From your paycheck, like you see for Medi-care. The total premium is 0.6% of Your wages and is shared between the Employee and employer. If you make \$50,000 a year, your share of the premium is \$4.22 per week.

Visit paidleave.wa.gov to calculate your contribution and learn more about how you can take time for care.



Washington
Paid Family &
Medical Leave



The 2022 Form W-4, Employee's Withholding Certificate, is very different from previous versions. This is due to the federal tax law changes that took place in 2018.

Even if your tax situation has not changed, we recommend you perform a "paycheck checkup" to see if you need to make adjustments to your current withholding. The U.S. Tax system operates on a pay as you go basis. Taxpayers must generally pay at least 90% of their taxes throughout the year through withholding, estimated, or additional tax payments or a combination of the two. **THIS MEANS THAT....** You need to pay most of your tax during the year, as the income is earned or received. If you don't, you may owe an estimated tax penalty when you file. To conduct the checkup, you can use the IRS's Tax Withholding Estimator (www.irs.gov/W4App).

Before completing the 2022 Form W-4, please read the instructions that are included with the form. **You must complete Steps 1 and 5. Steps 2, 3, and 4 are optional**, but completing them will help ensure that your federal income tax withholding will more accurately match your tax liability.



A printed copy of your 2021 W-2 will be mailed the week of January 17, 2022. It will also be available electronically through Employee Access.

An estimate of your W-2 Taxable Income can be determined by reviewing Calendar YTD or your December pay stub, and doing the following calculations:

1. Start with your Gross Wages
2. Subtract your Deferred Retirement –found under deductions TRS or SERS
3. Subtract your Other Deferred deductions—includes Section 125 Medical, Flex and/or Annuity, and Deferred Comp
4. Balance will be very close to Box 1: WAGES, TIPS and OTHER COMP on your W-2.

****Please note**** To avoid conflict with the IRS, it is ALWAYS recommended to wait until you receive your actual printed W-2 before filing your taxes.



The Affordable Care Act (ACA) requires employers to compile information every calendar year about offers of healthcare coverage and enrollment in healthcare coverage for their full-time employees (avg. of 30 hrs per week) during the calendar year. The employer reports this information on an individual 1095-C form .

In addition to receiving a W-2 you will also receive Form 1095-C from the district. **The Form 1095-C should not be submitted to the IRS when filing your taxes.** Please keep it for your records.

Sick Leave Buy Back Program

Eligible employees may elect to exchange unused sick leave earned during the 2021 calendar year for cash payment, or to a VEBA account, if eligible, and the bargaining unit has a VEBA agreement. Please contact the Payroll Department if you are unsure if your cashout is eligible for VEBA.

Eligible employees are those current employees who:

- Had accumulated more than 60 full days (480 hours) of unused, earned sick leave, as of December 31, 2021.
- Did not use all of their sick leave which was earned during the 2021 calendar year, and;
- Notify the District in writing by January 31, 2022 of their election to exchange unused sick leave. Forms are available at the District Payroll Office for this purpose. Please email payroll to request a form.



The sick leave balance on your December 31, 2021 Employee Access reflects leave taken as of November 30, 2021. If you used any leave in December, please deduct those hours from this balance to determine your ending balance for 12/31/21.

Payment is based on a 1:4 ratio, which means that the employee is entitled to one day of pay for every four days of unused sick leave accumulated in the 2021 calendar year and will be included in the February 28, 2022 payroll.

If you have questions about sick leave buy-back, or if you elect to buy-back earned sick leave for the 2021 calendar year, please contact Kathy Wright at Ext. 247, kwright@sequimschools.org or Haleigh Montelius at Ext. 267, hmontelius@sequimschools.org.

"The dream begins with a teacher who believes in you, who tugs and pushes and leads you to the next plateau, sometimes poking you with a sharp stick called 'truth'." –Dan Rather



Plans to delay Washington Cares Fund premium assessment for at least the first quarter of 2022. (See link below)

<https://housedemocrats.wa.gov/jenkins/2021/12/17/statements-from-governor-inslee-house-and-senate-democratic-leadership-on-delaying-the-washington-cares-fund-premium-assessment/>

The statements from Governor Inslee (D), House Speaker Laurie Jenkins (D), and Senate Majority Leader Andy Billig (D) were relatively light on details but made clear several key points:

- **Employers should continue with Payroll deductions beginning 1/1/2022**, however these funds will not be sent to Employment Security Department until the end of April.
- The delay is not intended to disband or repeal the WA Cares program. The intent is to allow the legislature time to refine the program to:
 - **Expanded opt-outs:** Expect to see allowable opt outs expanded to include some or all of the following:
 - ⇒ Those who live out of state
 - ⇒ Those in the US on a temporary visa
 - ⇒ Spouses of active-duty military
 - **Reimbursement of Q1 deductions:** Expect the State to allow employers to refund payroll tax withholding 1/1/2022 – 3/31/2022 for:
 - ⇒ Employees receiving their opt-out approval letter from Employment Security Department by 3/31/2022. (Currently must receive by 12/31/2021)
 - ⇒ Employees who live out of state
 - ⇒ Employees in the US on a temporary visa
 - ⇒ Spouses of active-duty military
 - **Allow opt-ins:** Expect to see employees retiring prior to permanent vesting allowed to opt-in to the program after retirement provided they continue to pay premiums until meeting the 10-year vesting.

Recertification: There is support to modify the law to require re-attestation of WA Cares Payroll Tax Exemptions every one to three years. Employees will need to show proof that the Long-Term insurance used to qualify for the exemption is still in force to continue to remain exempt from the payroll tax. Anyone with an exemption, wishing to remain exempt from the payroll tax, would be well advised to retain their Allstate Life and LTC policy.

Know before you go! Check your Collective Bargaining Agreement to verify the amount and type of leave that you are entitled to in Ready Sub or Employee Access for your leave balance.

Para Educators receive 3 Personal Days per year (prorated for late hires or LWOP), unused Personal Days are cashed out in July at the hourly rate.

Teachers receive 2 Personal Days per year (prorated for late hires or LWOP). Personal Leave may be accrued up to a maximum of 5 days. Employees have the option of cashing out 2 unused Personal Leave Days in July at the substitute rate. Sequim Educators Association (SEA) Personal Leave Cashout Authorization form is posted on the [payroll website](#).

Custodians/Maintenance 260 day employees receive 1 Personal Day per year. At the beginning of their 5th year of service they will receive 2 days. At the beginning of their 10th year of service they will receive 3 days.

199 day employees hired after September 1, 2016 receive 2 Personal days. Personal Leave days are "use it or lose it", as there is no roll over to the next year.



Secretaries receive 3 Personal days per year (prorated for new hires or LWOP), to a maximum of 4 days. Any excess will be cashed out at Step 1, Range A of Schedule A at the end of the fiscal year.

Administrators shall have 5 days of personal leave per year (prorated for new hires or LWOP). Employees may accrue up to four (4) personal leave days. Unused personal leave beyond four (4) days will be forfeited.

Teamsters receive 3 Personal Days per year, (prorated for new hires or LWOP). to a maximum of 5 personal leave days. Anything over five (5) days will be cashed out in August.

DESA receive 2 Personal days per year (prorated for new hires or LWOP), to a maximum of 4 days. Any excess is forfeited.



Nearing Retirement?

Plan 2/3 Teachers and School Employees ask: What's the best retirement month for me?

When it comes to retirement planning, teachers and school employees in Plans 2 and 3 often ask whether it's better to retire in July (when you stop working) or in September (when your contract ends).

There are several factors to weigh in choosing your retirement month, including what's gained from an earlier start to benefits and cost of living adjustments (COLAs) compared to what's earned from two extra months of service. And, starting this year, there's a new consideration: the impact of an earlier retirement on your health care costs.

This additional consideration relates to the recent launch of the School Employees Benefits Board (SEBB) program, which offers employer-supported health insurance options for teachers and school employees. While SEBB provides enrollment for working employees, it does not offer coverage for retirees.

These two scenarios illustrate how these various factors come into play:

July retirement scenario (resign your position effective June 30 to retire starting in July 2022):

- You'll receive your pension benefit plus your salary for July and August.
- Your COLA will start in July of the following year (July 1, 2023).
- You won't receive service credit for July and August.
- **Your health care coverage via SEBB will be discontinued after June 30.**

September retirement scenario (resign your position effective Aug. 31 to retire starting in September 2022):

- You'll receive your pension benefit starting in September.
- Your COLA won't go into effect until July 2024.
- You'll earn service credit for July and August.
- **You'll continue to receive SEBB health care coverage in July and August.**

In both scenarios, eligible individuals can purchase retiree health insurance through the Public Employees Benefit Board (PEBB) program once their SEBB coverage ends. Both programs are administered by the state Health Care Authority (HCA), which provides online information on [SEBB plan costs](#) and [PEBB retiree plan costs](#).

Payroll and Benefit Contact Info

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In order to give our employees up to date information the [Payroll page](#) on the Sequim School District website is continuously updated.

For your convenience you can find links to Employee Access, Direct Deposit form, Green Timesheet, Pre-Authorization for additional work hours, Para EI hours timesheet, Class Size Overage claim form & the 2020 W-4.

You'll also find very useful and helpful information and links for the Department of Retirement Systems, SEBB, Health Savings Accounts, Washington State Paid Family Medical Leave, COBRA, FMLA, & VEBA.

Sequim School District does not discriminate in any programs or activities on the basis of sex, race, creed, religion, color, national origin, age, veteran or military status, sexual orientation, gender expression or identity, disability, or the use of a trained dog guide or service animal and provides equal access to the Boy Scouts and other designated youth groups. The following employees have been designated to handle questions and complaints of alleged discrimination: Title IX and Civil Rights Compliance Coordinator: Victoria Balint, vbalint@sequimschools.org 503 N Sequim Ave., Sequim, WA 98382, 360-582-3260, and for Section 504/ADA Coordinator, Cheryl McAliley, 503 N. Sequim Ave., Sequim, WA 98382, 360-582-3405, cmcaliley@sequimschools.org.

El Distrito Escolar de Sequim no discrimina en ningún programa o actividad por motivos de sexo, raza, credo, religión, color, origen nacional, edad, estado de veterano o militar, orientación sexual, expresión o identidad de género, discapacidad o el uso de un guía para perros o animales de servicio y proporciona el mismo acceso a los Boy Scouts y otros grupos de jóvenes designados. Los siguientes empleados han sido designados para manejar preguntas y quejas de supuesta discriminación: Título IX, y Coordinador de Cumplimiento de los Derechos Civiles: Victoria Balint, vbalint@sequimschools.org 503 N Sequim Ave., Sequim, WA 98382, 360-582-3260, y para el Coordinador de la Sección 504/ADA, Cheryl McAliley, 503 N. Sequim Ave., Sequim, WA 98382, 360-582-3405, cmcaliley@sequimschools.org.