

# City of Loveland Retirement Plan For General Employees

(Non Police or Fire)

08/01/2018

## 401(a) Money Purchase Plan

### Enrollment:

Enrollment into this plan is **REQUIRED**. Forms are due on your first day of employment to ensure proper account set-up.



**Fund Selection Information:** The Retirement Board has established the T. Rowe Price Target date funds for the plans' Qualified Default Investment option, as required by the Pension Protection Act of 2006. By choosing "Select My Own Investments" and inserting 100% fund allocation into the T. Rowe Price "YEAR" (select the year closest to when you turn 65) you will be selecting a lower fee, yet managed approach (based on age) for your account. Fund allocations may be changed at anytime by logging into your account. By completing your enrollment, Empower will mail you information regarding your account.

### Contributions:

All contributions are mandatory and are taken pre-taxed (taken from the employees paycheck prior to calculating taxes, and will be taxed at time of distribution)

After six months of employment, general employees will contribute 3% of their base salary to the 401(a) Money Purchase Plan held by Empower. The City will contribute according to the following longevity schedule.

6 months to 7 years	5%
8 – 10 years	6%
11 – 15 years	7%
16 – 20 years	8%
21+ years	9%

### Vesting:

After three years of employment, the employee will be 100% vested in the City's contributions. The employee is always 100% vested in their own contributions or rollover funds.

### Retirement Board:

The General Employee Retirement Board consists of the following:

Two Employee Elected Members:

Joyce Robinson

DeLynn Dudenhoeffer

Two Citizen, City Council Appointed

Darcy Hodge

Vacant

Executive Fiscal Advisor:

Alan Krcmarik

Human Resources Staff Liaison/Support:

Julia Holland

Rita Chandler

City Attorney Staff Liaison:

Alicia Calderon

Board Meetings are held the second Wednesday of February, May, August and November.

## ***Distributions:***

*Distributions are not allowed unless there is a separation of services. This plan does not have a loan option. At the time of separation the employee is NOT required to withdraw their funds and if funds remain in the plan they will benefit from the low fees associated with this plan, no additional annual fees will be charged.*

*All distributions are subject to IRS regulations and may include a 10% penalty if distributed prior to retirement guidelines.*

## ***Additional Plan Option – 457:***

*Enrollment into this plan OR an opt out form is REQUIRED. Forms are due on your first day of employment to ensure proper account set-up.*

***Fund Selection Information:*** *The Retirement Board has established the T. Rowe Price Target date funds for the plans' Qualified Default Investment option, as required by the Pension Protection Act of 2006. By inserting 100% fund allocation into the T. Rowe Price "YEAR" (select the year closest to when you turn 65) you will be selecting a lower fee, yet managed approach (based on age) for your account. Fund allocations may be changed at anytime by logging into your account. By completing your enrollment, Empower will mail you information regarding your account.*

*All employees are eligible to contribute to the 457 plan administered by Empower. New employees are automatically enrolled with a 2% contribution into the pre-tax option unless they submit an "Opt-Out" form.*

*IRS regulations state you can contribute up to \$18,500 per year. Employees who participate in this 457 can utilize the pre-tax or Roth after-tax option up to the IRS maximums. If you are age 50 or older, the IRS allows you to contribute an extra \$6,000 per year. This plan allows for loans.*

*Please see the Plan Highlights for full details.*

## **Empower**

*For plan assistance, please contact: Chuck King, 303-550-9727*

*Email: [Charles.King@empower-retirement.com](mailto:Charles.King@empower-retirement.com)*

*Website: [www.empower-retirement.com](http://www.empower-retirement.com)*