

## Pension Plan for Permanent Part-Time Employees

- ❖ All eligible permanent part-time Albemarle County employees receive contributions into the Part-Time Pension Plan (The Plan.) Employees become eligible for contributions in the month following the completion of five continuous years of service if they are in a benefits-eligible position at that time. The Plan year runs from July 1 thru June 30. Contribution amounts are based on the employee's salary and years of service with the County. Contributions made by the County into the Plan increase on the following schedule:

<u>Years of service</u>	<u>Contribution (% of annual salary)</u>
0 through 4	0%
5 through 9	5%
10 through 14	7%
15 through 19	9%
20 or more	11%

- ❖ The Plan will be invested with the Massachusetts Mutual Life Insurance Company. Under IRS regulations, these contributions are considered taxable wages; the tax on that amount will be added to your regular wage tax. The amount being paid into The Plan will appear in the "Non Cash" section of your paycheck.
- ❖ Plan participants are fully vested upon enrollment into The Plan. As a participant, any funds in your account may be refunded to you if you change from a part-time benefits-eligible position or leave your employment. Funds are paid out on a lump-sum basis. The County does not require participants to pull their funds out of the Plan when they are no longer employed by the County. However, participants may be subject to IRS penalties for failure to withdraw prior to age 70<sup>1/2</sup>. In the event of a participant's death, the account value will be payable to the named beneficiary.
- ❖ Eligible employees should contact the Human Resources Department for further information in regard to requests for refund from their Plan account.

*\*This information is not intended to provide a technical explanation of your Pension Plan. Its purpose is to give you a basic understanding of the operation of the Plan. The Plan document itself determines your rights under this plan and is available for your inspection in the Human Resources Department on the first floor of the County Office Building; call (434) 296-5827 for additional information.*