

Elected Officials Retirement Plan

New State legislation signed into law in July of 2013, effective January 1, 2014. This plan was created for newly Elected Officials.

Plan Requirements

- Newly elected officials, or re-elected officials, who do not have time with EORP or ASRS are required to enroll in this plan.
- Required employee contributions made on a pre-tax basis from payroll deduction.
- Changing contributions is restricted, and not allowed unless by State statute.
- Non-ERISA plan type.
- 8% pre-tax employee contributions.
- 6% pre-tax employer contributions.
- \$205,000 maximum annual contribution limit in 2013 from all contribution sources under the 414(h) employer pick up rules.
- Employee and employer contributions are immediately vested.

Plan Features

- 5 asset allocation funds.
- 9 target date funds.
- 30 mutual funds representing recognized fund companies.
- 2 guaranteed interest account options (Nationwide and Morley Stable Value)
- Rollovers into the 401(a) Plan are allowed.
- Rollovers out of the plan are allowed upon separation from service to qualified retirement plans.
- This plan may be used to purchase defined benefit plan service credits on a pre-tax basis.

Plan Payouts

- No loans or distributions for hardships or financial emergencies from the 401(a) plan.
- Offers several systematic payout options.
- Upon separation of service, account assets can be rolled over to another qualified retirement plan like a 401(k), 403(b), 401(a) or 457 plan in which the participant participates; or even to an Individual Retirement Account (IRA).
- If a lump sum payout is requested upon retirement, federal/ state taxes and penalties may apply. If the participant is not age 59½, a 10% early withdrawal penalty may apply.
- Distributions must begin no later than 70½ if separated from service.
- Taxes may be withheld at the time of distribution.

Payroll Notification

At least 30 calendar days prior to retirement employees are required to notify the Payroll Office. Please contact the [Payroll Office](#).