# ST. CLAIR COUNTY COMMUNITY MENTAL HEALTH AUTHORITY RETIREMENT PLAN OPTIONS 1/1/2016

Regular full-time employees hired after 1/1/2016 shall not be eligible for the St. Clair County Defined Benefit Pension Plan; instead, these employees shall be entitled to a Defined Contribution Retirement Plan. Participation is voluntary. Regular full-time employees hired after 1/1/2016 shall not be eligible for the Retiree Health Care Plan.

A Defined Contribution Plan has distinct differences from a Defined Benefit Plan: there is no guarantee of a specific benefit; the employee chooses how to direct his or her investment. The employee should fund this plan with the goal to cover both pension and retirement healthcare needs. The benefit is portable.

The employee may contribute up to the IRS maximum elective deferral (contribution) limit of total wages through payroll deduction each pay period. Wages is defined as W-2 compensation less fringe benefits, bonuses, overtime, off schedule payments and longevity, etc. Employees wishing to adjust their employee contribution election amount may do so in accordance with the terms of the 457 Plan and applicable St. Clair County Community Mental Health Authority policies.


The Employer will match the Employee contribution to the 457 Plan dollar for dollar up to a maximum of 8% of total wages. The Employer matching contribution shall be credited to the employee upon completion of three (3) years of service. If for any reason an Employee terminates employment before the three (3) years of service there will not be matched funds from Employer, only funds that Employee contributed.

***Effective 1/1/2016 Employees hired Regular Full-time are offered a Retirement Plan. Employees can set up a 457 Retirement Plan with VALIC.***

## How do I Set up My Retirement Plan?

There are four steps to participating in a Plan:

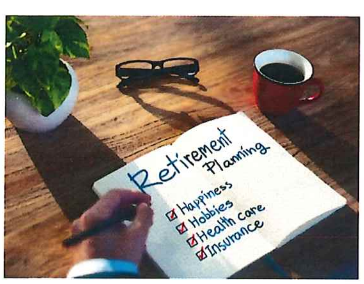
Contact VALIC . Bio and literature are included in your hiring packet.

- **VALIC:** Michael DeTone – (248)274-7200 or michael.detone@valic.com

Enroll in the Plan - It's easy to participate in a Plan. Contributions are automatically deducted from each paycheck and deposited to your account, so you don't have to remember to budget or write a check.

Invest your money – You'll choose funds from lists of investment options available within a Plan. Keep in mind, any investment involves risk and there's no guarantee that any fund will achieve its investment objectives.

Receive income – You'll want to invest enough to live in retirement on your terms. Before you begin taking benefit payments, make sure you're ready to transition from investing to spending. Withdrawals must follow 457 Plan regulations and are taxable income to you in the year you receive a payment.




## The Sooner You Enroll, the More You Can Possibly Save for Retirement

Your Plan helps put you in control of when, where and how much you invest.

You can start anytime. Your deferred comp plan will work for you whether you're approaching retirement or just getting started investing – putting away money in a tax-deferred account can offer several benefits.

Every little bit helps. Even investing a little bit of money can really add up over time – it's just important to get started! And if you continue to bump up contributions on a regular basis, the overall impact to your paycheck may not seem too painful. Consider putting raises or bonuses into deferred comp – it's an easy way to invest a little more.