

Warren-Newport Public Library District Staff Manual

320 457 Savings Plan

Effective Date: 08/02/2010

Review/Revision Date: 08/02/2010; 07/17/2018

The Warren-Newport Public Library District has established a 457 savings plan to provide employees the potential for future financial security for retirement.

To be eligible to join the 457 savings plan, an employee must be 18 years of age or older. The plan's open enrollment structure allows an employee to join at any time during the year. Any employee who participates in the 457 plan agrees to all terms and conditions of the plan.

The 457 savings plan allows each employee to elect how much salary he or she wants to contribute and to direct the investment of the plan account, allowing each employee to tailor a retirement package to meet his or her individual needs.

Because a contribution to a 457 plan is automatically deducted from the employee's pay before the withholdings for federal and state taxes are calculated, participating employees save current tax dollars by having their current taxable income reduced. The amounts deducted usually will be taxed when they are distributed, but the taxes are often at a lower rate.

Complete details of the 457 savings plan are described in the Summary Plan Description provided to eligible employees. Contact the Human Resources Associate for more information about the 457 plan.

Comment [RL1]: We have listed an age limit of 21, however according to the 457 plan info, there is no age limit. In speaking with ICMARC, they did say that best practice for limiting enrollment is 18 years old.

Comment [RL2]: There is no true "open enrollment" with the 457 plan. Our account manager explained that it is open enrollment in that employees can join at any time. Do we want to include verbiage that WNPL doesn't match or contribute to the 457 plan?

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Deleted: An employee may join the plan only during an open enrollment period.

Comment [JB3]: Correction from enrollment period to open enrollment.

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