

Section Name: Employee Relations
 Section Number: 400
 Policy Number: 453

Effective Date: January 1, 2021

Subject: MERS Defined Contribution Retirement Plan

Purpose:

The purpose of this policy is to designate the retirement benefits that are available to regular full-time non-union employees under a defined contribution retirement plan arrangement (“DC Plan”) and a Code Section 457(b) arrangement (“457 Plan”) administered by the Municipal Employees’ Retirement System (“MERS”) (collectively, the “MERS Plans”). Employees who are covered under the DC Plan shall not be members accruing benefits under the Monroe County Employee’s Retirement System Ordinance (“Retirement System”) on and after the effective date of their participation in the DC Plan. Notwithstanding anything to the contrary, the County reserves the right to amend or terminate this Policy and the MERS Plans at any time for any reason.

Scope:

This policy applies to the following non-union employees (collectively referred to as “eligible employees”):

- A. Regular full-time employees who are employed or reemployed by the County on or after January 1, 2021.
- B. Regular full-time employees who are members of the Retirement System who voluntarily exercise a one-time irrevocable election to cease future benefit accruals under the Retirement System and become a participant under the DC Plan.
- C. An employee who is employed by the County but not a member of the Retirement System as of December 31, 2020, and who transfers to a regular full-time employee position on or after January 1, 2021.

Statement of Policy:

- A. The eligible employees will be enrolled into the DC Plan with the following mandatory contributions by the County and employee:

Effective January 1, 2021	Required Contributions		
Employee Contribution- Deposited into DC Plan	4% of Employee’s Compensation		
Employer Contribution- Deposited into DC Plan	4% of Employee’s Compensation		
	Employee Voluntary Contributions and Employer Match		
Employee Contribution- Deposited into 457 Plan	0% of Employees Compensation	1% of Employee’s Compensation	2% of Employee’s Compensation
Employer Contribution- Deposited into DC Plan	0% of Employee’s Compensation	1% of Employee’s Compensation	2% of Employee’s Compensation
	Total Retirement Contribution		
	8% of Employee’s Compensation	10% of Employee’s Compensation	12% of Employee’s Compensation

Effective January 1, 2022	Required Contributions	
Employee Contribution- Deposited into DC Plan	5% of Employee's Compensation	
Employer Contribution- Deposited into DC Plan	5% of Employee's Compensation	
	Employee Voluntary Contributions and Employer Match	
Employee Contribution- Deposited into 457 Plan	0% of Employee's Compensation	1% of Employee's Compensation
Employer Contribution- Deposited into DC Plan	0% of Employee's Compensation	1% of Employee's Compensation
	Total Retirement Contribution	
	10% of Employee's Compensation	12% of Employee's Compensation
*Compensation shall include employee bi-weekly base pay and longevity payments for eligible employees under Policy #401.		

- B. For an employee who makes a one-time irrevocable election, his or her mandatory contribution will equal the same percentage amount as the percentage of his or her mandatory contribution under the Retirement System; but in no event will the total employer contribution made to the DC Plan exceed 6% of the eligible employee's compensation.
- C. The eligible employees may enroll in the 457 Plan and elect to defer a portion of their compensation on a pre-tax basis to the 457 Plan, up to the amounts permitted by applicable law and plan terms. As described above, salary deferral contributions will be matched under the DC Plan in the amount set forth above.
- D. Eligible employees will have immediate vesting of their mandatory contributions and employer contributions made to the DC Plan and their salary deferrals made to the 457 Plan.
- E. The DC Plan shall accept plan-to-plan transfers of accumulated contributions made under the County's Retirement System with respect solely to a regular full-time employee who (i) voluntarily and irrevocably elects to join the DC Plan and ceases membership under the Retirement System and (ii) has less than eight (8) years of credited service under the Retirement System. Such plan-to-plan transfer will be automatic for such unvested members who join the DC Plan with no election to receive such accumulated contributions in cash. The DC Plan shall restrict the distribution of such transferred accumulated contributions until such date as the unvested member experiences a distributable event as defined under the terms of the Retirement System and DC Plan.

Definitions:

- A. Regular Employee- An employee who is employed for an indefinite period on either a full-time or part-time basis. A regular employee does not include variable hour employees, seasonal/temporary employees, co-op employees and appointed members of a board, commission or authority (i.e., variable hour employees, seasonal/temporary employees, co-op employees and appointed members of a board, commission or authority shall not be eligible employees under this Policy regardless of hours worked for the County).
- B. Regular Full-time Employee- A regular employee who is normally scheduled to work forty (40) or more hours per week.

Policy Compliance:

A. Responsibility

1. Employee: The eligible employee is responsible for directing and determining all investments of their account balances under the MERS Plans from a choice of investments provided by MERS.
2. Human Resources: The Human Resources Director or designee shall have the responsibility of implementing and overseeing the administration of this policy and the program service providers.

Administrative Procedure:

1. Human Resources will enroll eligible employees into the DC Plan. The eligible employee will be responsible for enrolling and completing the salary deferral election forms to participate in the 457 Plan.

Legislative History of Authority for Creation or Revision:

Adopted pursuant to action of the Monroe County Board of Commissioners, dated November 17, 2021.