

Joint Meeting of the Sullivan County Commissioners and Sullivan County Council
July 30, 2018

Kevin Marshall and Jeremy Haggard from the Indiana Public Retirement System (INPRS) came before the Sullivan County Board of Commissioners and Sullivan County Council boards to talk about Public Employees' Retirement Fund (PERF) to answer questions about the retirement fund. They explained the plans available to employers and employees are the form of "Hybrid Plan" and "My Choice Saving Plan".

The county can consider one plan or both. The "Hybrid Plan" is a fixed monthly retirement plan as the "My Choice" is much like a 401K.

HYBRID PLAN:

- Employer pays 100%
- Employer Contribution rate is determine annually by INPRS board
- Mandatory 3% of gross wages paid by: employer, or employee, or shared by both
- Employee can elect to do Voluntary contributions which are post-tax
- Employee cannot purchase service credits when they join
- Monthly benefit + defined contribution
- 11.2% county cost + employee pay 3%
- Based Avg. salary times years of service times 1.1%
- No loan provision and no early withdrawal for hardship

MY CHOICE PLAN:

- Employee share fully vested upon hire
- Supplemental rate ≠ apply
- Mandatory of 3% gross wages paid by employer, employee or shared by both
- Employer may choose to match 0 to 4%
- Employee can make voluntary to pay up to 10% of gross wages
- Employee voluntary contributions may be pre- or post-tax and the employee elects to do so within the election window
- Lump sum of investment to use during retirement
- Management fee of \$9.00 per quarter/\$36 annual
- Rate is established by Resolution
- Pretax if paid by employer/post tax is paid by employee
- No loan provision and no early withdrawal for hardship

Other Points:

- Resolution would state who would be eligible for PERF
- No required contribution during unpaid leave (gap)
- If county would ever opt out 7.2% would have to be meet for employees

Questions from Audience: John Figg – made statement regarding "My Choice" – Plan not being worth the paper it is written on because even if 5 years vested – 100% vested of contributions going for ward ≠ do any back pay.

Tim Abrams – requested all member study costs involved in buying back service. Most by older work force might help with insurance costs due to older workforce.

Kevin and Jeremy will get back with us on re-buy back of service credit for employees. (If county buys 10yrs – can employee buy additional years?)

Covered offer buyout prior to choosing program as incentive to lower age of workforce?

Commissioners:

Robert Davis

Ray McCammon

John Waterman

Council:

Duane Wampler

Tim Abrams

Carolyn Gambill

Larry Cox

Larry Kinnett

Attest: _____ Auditor