

# **BAY COUNTY LIBRARY SYSTEM**

## **RETIREMENT POLICY**

### **Qualified Employees:**

All full-time employees scheduled to work at least 800 hours per year who were hired prior to January 1, 2012 qualify for the Library's defined benefit pension plan.

#### **Vesting**

All qualified employees who were hired on or before March 1, 2008 are eligible for pension benefits (vested) after completing 8 years of service.

All qualified employees who were hired after March 1, 2008 and before January 1, 2012 are eligible for pension benefits (vested) after completing 10 years of service.

#### **Contributions**

Until December 31, 2014 the Library will pay the qualified employee's 4% contribution to the retirement program in addition to the Library's (employer's) contribution, the percentage of which fluctuates annually as a result of actuarial surveys.

Beginning January 1, 2015 all qualified employees will contribute 1% of their gross wage and the Library (employer) will contribute the remaining required amount into the Bay County Employees' Retirement Fund as recommended by the Bay County Employees' Retirement Fund Board. The Library's payment representing the employee's share will remain designated as the employee's contribution for future withdrawal purposes.

#### **Termination of Employment Before Vesting**

If an employee hired after March 1, 2008 terminates employment or is terminated by the Library before being vested, then all contributions paid into the retirement system by the Library on behalf of the employee will become assets of the retirement system.

### **401K:**

All employees hired on or after January 1, 2012 will be exempted from the defined benefit pension plan. The Library will contribute 2% of gross wages and will match dollar-for-dollar up to an additional 2% of the employee's contribution into a 401K retirement plan, up to a maximum 4% Library (employer) contribution.

### **Part Time Employees:**

All part-time employees will be allowed to work up to 1,300 hours per year without qualifying for retirement benefits, as of 1/1/2019.