





NORTHERN WAKE FIRE DEPARTMENT

STANDARD OPERATING PROCEDURES

TITLE: Retirement	SECTION/TOPIC: PERSONNEL
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REVISION DATES:	APPROVED BY: Gary Vickerson  <hr/> PRESIDENT – BOARD OF DIRECTORS Tim Pope  <hr/> FIRE CHIEF

A. PURPOSE

- A. This Standard Operating Procedure outlines the Retirement Benefits for the full-time employees.

B. SCOPE

- A. This Standard Operating Procedure applies to all full-time employees within the Northern Wake Fire Department.

C. PROCEDURE

A. LGERS

1. Northern Wake Fire Department is a member of the Local Governmental Employees' Retirement System (LGERS).
2. LGERS is a defined benefit plan qualified under Section 401 (a) of the Internal Revenue Code.
3. Defined benefits plans use a formula to calculate monthly retirement benefits once eligibility requirements have been met.
4. Contributions to LGERS are invested by the Department of State Treasurer and these funds are protected by the Constitution of North Carolina from being used for any purpose other than retirement system benefits and expenses.
5. NC ORBIT is a secure site that allows you to view your personal account information, download retirement forms, and access retirement resources 24 hours a day, 7 days a week.
6. To log into your personal NC ORBIT account, go to the website at www.MyNCRetirement.com, click on the ORBIT icon and follow the log-in instructions.
7. The employer contributes an actuarially determined percentage of the employee's gross compensation each month to LGERS.

8. The employee contributes 6% of his/her gross compensation, on a pre-tax basis.
9. Pre-tax means that your contribution is deducted from your pay before taxes are calculated, and you pay taxes on them when you begin receiving monthly retirement benefits or if you elect a refund of your contributions.
10. The employee's contribution is automatically deducted from his/her paycheck.
11. The employee becomes vested in LGERS once they have completed a minimum of 5 years of creditable service.
12. Vested means that they are eligible to apply for lifetime monthly retirement benefits based on the retirement formula in effect at the time of their retirement and the age/service requirements described in the LGERS handbook, provided that they do not withdraw their contributions.

B. 401K/457K

1. Northern Wake Fire Department is a member of the NC 401K/457K plan.
2. The NC 401k plan is a supplemental retirement savings plan offered to help employees reach their retirement savings goals.
3. An employee is immediately fully vested in the NC 401k plan.
4. To be vested, means to own, which means the money is always the employees.
5. The employee's contributions are deducted from the employee's pay automatically and can be changed or stopped at any time.
6. NC 401k Plan Contribution Options:
 - a) Northern Wake Fire Department will contribute 5% of the employee's compensation to his/her 401k account on a pre-tax basis.
 - b) There is no matching requirement.
 - c) The employee may choose to contribute additional dollars to his/her account on a traditional pre-tax basis and/or a Roth after-tax basis.
7. NC 401k Plan Withdrawal Options:
 - a) An employee may access the funds in their retirement account through loans, in-service distributions or hardship withdrawals.
 - b) Contact your Plan Administrator for additional information.
8. Full-time employees are eligible to participate in the NC 457 plan.
9. The NC 457 plan is a deferred compensation plan available for employees including both full-time and part-time employees.

10. Employees are fully vested in the plan from their first contribution to their last.
11. Contributions to the NC 457 plan are made through payroll deduction and can be changed or stopped at any time.
12. NC 457 Plan Contribution Options:
 - a) The employer does not contribute to the NC 457 plan.
 - b) The employee may choose to contribute to his/her 457 saving account on a traditional pre-tax basis and/or Roth after-tax basis.
13. NC 457 Withdrawal Options:
 - a) The NC 457 Plan gives you the flexibility to access the funds in your retirement account through loans, hardship withdrawals, and in-service distributions.
 - b) Contact your Plan Administrator for additional information.