

Retirement Plan Overview for VRS Hybrid Plan Participants

Virginia Retirement System

Mandatory Employee Contributions

All employees enrolled in the Virginia Retirement System (VRS) contribute **5%** of their salary to VRS. As a **VRS Hybrid Plan Participant**, **4%** of your contribution funds your Defined Benefit account and **1%** funds your Defined Contribution plan. Employee contributions are made through pre-tax payroll deductions.



Defined Benefit (DB) Program
(Pension Benefit)

4% of your Salary is your **mandatory contribution** to your VRS Defined Benefit account. View your member account online at www.varetire.org/hybrid, or call VRS at 1-855-291-2285. This deduction is listed as **VRS EE SHARE** on your APS pay stub.



Defined Contribution (DC) Plan
(Investment Account)

1% of your Salary is your **mandatory contribution**** to your VRS Defined Contribution (DC) plan. View your Hybrid 401(a) Cash Match account online at www.varetire.org/hybrid, or call ICMA-RC at 1-877-327-5261. This deduction is listed as **VRS DC 401A** on your APS pay stub.

Your 5% Mandatory Employee Contribution

**APS pays mandatory 1% match and is deposited into your Hybrid 401(a) Cash Match account.

Voluntary Employee Contributions

As a Virginia Retirement System (VRS) **Hybrid Plan Participant**, you can save **additional money** (up to 4% of your annual salary) deposited into a Voluntary Hybrid 457 Deferred Compensation account.** You will receive an employer match on your voluntary employee contributions. If you elect the maximum voluntary contribution (4%), you will receive 2.5% of your annual salary in matching funds from APS.



Voluntary Employee Contribution to Hybrid 457 Deferred Compensation Account									
If you contribute	0.00%	0.50%	1.00%	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%
Employer Matching Contribution to Hybrid 401(a) Cash Match Account									
You will receive	0.00%	0.50%	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%

If you make a voluntary election, the deduction is listed as **VRS DC OPT** on your APS pay stub.

Members work directly with ICMA-RC (the plan record keeper) to initiate voluntary contributions. To get started, create your account online at www.varetire.org/hybrid, or call ICMA-RC at 1-877-327-5261.

Elections or changes to voluntary contributions go into effect on the 1st paycheck of the next calendar quarter. Go www.varetire.org/hybrid to view the upcoming quarterly deadline.

Auto-Escalation of Member's Voluntary Contributions

The Hybrid Retirement Plan was designed with an auto-escalation feature. Every three years, members' voluntary contributions to their Hybrid 457 Deferred Compensation Plan account will automatically increase by 0.5 percent (via payroll deduction) until reaching the maximum 4%. **The next automatic escalation takes place January 1, 2020.**

****Important:** Voluntary employee contributions to your Hybrid 457 Deferred Compensation account and voluntary employee contributions to a Lincoln Financial 457(b) and/or AXA/PlanMember 457(b) account (see page 2) count toward the IRS Basic Contribution limit. The 2017 457(b) Basic Contribution limit is \$18,000.



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Optional Supplemental Retirement Options

Voluntary Employee Contributions

Arlington Public Schools offers several voluntary retirement plans to help you achieve your retirement goals:

- 403(b) and ROTH 403(b) accounts
- 457(b)** and ROTH 457(b) accounts

To learn more about the differences between a traditional 403(b) plan and a ROTH 403(b) plan, or the differences between a 403(b) plan and 457(b) plan, go to www.apsva.us/benefits/supplementalretirement.

These plans are offered through
Lincoln Financial Group and AXA/PlanMember Services.



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School Board Match Account

Employees who contribute to an Arlington Public School's 403(b), ROTH 403(b), 457(b), or ROTH 457(b) account are eligible to receive an APS School Board Match.

The APS School Board matches up to 0.4% of your base salary, **or** up to \$240 per year (*up to \$10/pay period if paid over 24 pays, or up to \$12/pay period if paid over 20 pays*), **whichever is greater.**

School Board Match contributions are made as **Employer Contributions** in the employee's name into a 403(b) account to whichever vendor (Lincoln Financial or AXA/PlanMember) you have chosen for your 403(b) or 457(b) account.

To review your School Board Match account, contact your vendor, Lincoln Financial or AXA/PlanMember, directly. Go to www.apsva.us/benefits/supplementalretirement to view vendor contact information.