

Get to Know Your 457 PTS Plan

A Retirement Plan for Part-Time, Temporary, and Seasonal Employees

Keep this document for reference throughout your time with City of Arlington.

What Is the 457 PTS Plan?

It is a retirement savings plan for part-time, temporary, and seasonal (PTS) employees. The City of Arlington has established this plan in lieu of paying – and withholding from your pay – Social Security taxes. (Medicare taxes continue to be withheld, as required by law.)

PTS employees are generally defined as follows:

- Part-time employees are those routinely assigned to work less than 20 hours per week.
- Temporary employment is defined as two years or fewer in duration.
- Seasonal employment is defined as performing full-time work for fewer than 120 days per year.

Deferred Compensation

The 457 PTS Plan is a deferred compensation plan into which contributions are made automatically each pay period on a pre-tax basis. Federal income taxes are deferred until you withdraw your 457 PTS funds (or assets).

The City of Arlington requires a minimum contribution of 7.5% of your gross salary.

Fees

Your account is subject to an account maintenance fee of \$18 per year.

MissionSquare Plus Fund¹

Your contributions will be invested in the PLUS Fund, which seeks to offer a competitive level of income consistent with providing asset preservation and meeting liquidity needs.

Withdrawals

If upon separation from service your account balance is less than \$1,000, you will be paid out the remaining balance and will receive a 1099R for the year of the distribution.

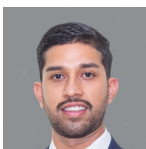
If you stop working for the City as a 457 PTS employee, withdrawals would be subject to ordinary income taxes (similar to your salary). To maintain a tax advantage, you could move the money to another eligible plan, such as an IRA or another employer retirement plan. You may also be able to keep your money in the PLUS Fund.

If you become a full-time employee, you have the additional option of transferring your account into the City's regular 457 deferred compensation plan, which has many more investment options available.

Beneficiaries

In the event of your death, your beneficiary(ies) receives the money in your account. To designate or update your beneficiary information, please log in to Account Access at www.missionsq.org/arlingtonxPTSPlan.

¹An investment in the PLUS Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any government agency. Although the PLUS Fund seeks to preserve the value of your investment and to pay you interest, it is possible to lose money by investing in the PLUS Fund. MissionSquare Retirement does not guarantee the principal value of your investment in the PLUS Fund or that you will receive interest on your investment.



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