

## **Wayne County Hybrid Plan #5 Frequently Asked Questions**

1. **How much does it cost to transfer to Plan #5?** It varies depending on average annual compensation, age, and years of credited service. In order to find out how much it will cost for you, please complete the transfer request forms. Once the cost is calculated (which will take at least 30 days depending on the volume), we will notify you of the amount in writing. You will then have ten (10) business days to rescind (in writing) the transfer. Please note, once you are notified of the cost, it is valid for ten (10) business days only. You can reapply at a later date within the open window period; however the cost to transfer may change.
2. **I have a copy of the actuarial chart. How can I calculate how much it costs for me by looking at the chart?** Take your age, add one (1) year, and locate the revised age and years of credited service (rounded down to nearest whole year) on the chart. Then, multiply that factor by your average annual compensation over a 5-year period.
3. **What happens to the rest of my Plan #4 monies once I transfer to the Hybrid Plan #5?** The monies will remain invested with Prudential and you will continue to have control in making investment allocation changes. The 2% contribution made by you and the 2% matching contribution made by the County will be invested according to your pre-selected investment allocations.
4. **If I do not have enough monies from my Prudential account to pay for the time to transfer to Plan #5, what other options do I have?** You can either pay for the time with monies in your Deferred Compensation 457 account (without penalty, as it will be treated as a rollover) or with outside funds via cashiers' check or money order within 30 days from the date of notification.
5. **What will my monthly pension amount to?** Please contact Felicia Hollis or Andrea Davis to request an estimate at (313) 224-5890.
6. **If I am vested in the Hybrid Plan #5 and leave County service prior to retirement, what options do I have?** Hybrid Plan #5 has two components: A Defined Benefit component and a Defined Contribution component. The Defined Benefit component provides you a pension at age 65 based on your service time, average final compensation and multiplier factor at the time you left County service provided that you have at least eight (8) years of credited service. For the Defined Contribution component, you are always vested in the contributions you make. You are vested in the County's matching contributions 50% after one year, 75% after 2 years, and 100% after 3 years of credited service. Once you leave County service, you can contact Prudential at (800) 778-2100 to rollover or take a distribution of the Defined Contribution account balance.

7. **What happens when I die? Who gets my retirement benefits?** Should you pass away prior to being eligible to retire, your spouse would receive a pension benefit if you had at least ten (10) years of credited service. There is no ten (10) year requirement if the death is duty related. If the employee had less than ten years, contributions, which were made upon transfer into the Hybrid Plan, would be refunded. No matter how many years of service the employee had, the designated beneficiary would be able to draw the vested contributions from the Defined Contribution account of the Hybrid Plan unless the death is duty related and the survivor benefit is not based on age and years of service of the participant.
8. **Will I be allowed to borrow while I am in Plan #5?** Unfortunately, loans are not permitted in Plan #5.
9. **What happens to my outstanding loans in Plan #4 if I switch to the Hybrid Plan?** You will continue to make payments on the loan(s) through payroll deduction until they are satisfied. You also have the option to prepay by sending a check for the total payoff balance.
10. **Which plan is better?** We are unable to provide financial advice on which plan is better for you. All we can provide is the plan description. Please consult with your financial advisor.
11. **What is the deadline for transferring into the Hybrid Plan #5?** You have 180 days from the date your contract or arbitration award was signed. You have 90 days from the date of your contract or arbitration award to purchase the time at the old actuarial rates.
12. **If I retire under the Hybrid Plan #5, will I be entitled to health care benefits?** You will need to check your specific collective bargaining agreement and contact Benefits Administration with any additional questions.