



Gunnison Police Retirement Plans



Plan Highlights and Features

Your employer offers you two CCOERA retirement plans. There is a mandatory 401(a) Retirement Plan in which enrollment is required upon meeting eligibility provisions, and a voluntary 457(b) Deferred Compensation Plan that you may start immediately. Both plans are “tax-favored,” from the before-tax contribution and tax-deferred earnings options in both plans to the Roth 457(b) tax-free option; see a summary of these plans below.

	401(a) Retirement Plan (Mandatory Participation)	457(b) Deferred Compensation Plan (Voluntary Participation)	
When can I enroll?	Upon date of hire, and in a benefits-eligible position (30 hours/week and at least 12 months /year), your employer will begin your contributions, and their matching amount, to your retirement plan.	Upon date of hire, you may elect to defer compensation from your pay into this plan, effective the pay period requested in the month following the election. Subsequently, you can start, stop or change contributions at any time.	Estimated Retirement Savings <i>If you have saved 10 times your pre-retirement annual income and earned 5% per year in retirement... That would fund enough to draw 2/3 of that income annually for 20 years with an annual increase of 2% per year for inflation.</i>
How do I enroll?	Complete the Participant Enrollment form for the 401(a) Plan.	Complete the Participant Enrollment form for the 457(b) Plan.	
What is the contribution amount?	Your 401(a) <u>before-tax</u> contribution amount is 11.2% of your pay. Plus, you will receive a “dollar-for-dollar” matching contribution of 11.2% from your employer.	The 2019 annual contribution limits are: \$19,000 (under age 50), \$25,000 (50+) or \$38,000 (eligibility required). Your contributions may not exceed allowable gross pay. Furthermore, contributions may be made <u>before-tax</u> (traditional) or <u>after-tax</u> (Roth). You may change contributions at any time via the 457(b) Paycheck Contribution Election form.	
May I rollover other retirement accounts to CCOERA?	Yes, the retirement plan can accept rollovers from a qualified retirement plan, a 401(a), a 401(k), a 403(b), or a regular IRA, but not a Roth IRA.	Yes, the deferred compensation plan can accept rollovers from a qualified plan, a regular or Roth 401(k), a 403(b), a 457(b) or a regular IRA, but not a Roth IRA.	CCOERA Target Date Funds <ul style="list-style-type: none"> • CCOERA offers 12 custom Target Date Funds (TDFs) designed by a professional Investment advisor. • Each one has a preset asset allocation and a well-diversified mix of investments. • They are automatically rebalanced quarterly. • Each one is named for the approximate year of retirement, based on 5 year increments. • As you get closer to retirement, your asset allocation automatically adjusts to increase the stability of your account.
What are the investment options I can select for my retirement savings?	Both plans offer the same investment options: individual mutual fund investments and Target Date Funds (TDFs), see information below and to the right. After you make your initial investment selections on the 401(a) or 457(b) Enrollment forms, you may make changes at a later date by phone or online. If you don't make an initial selection, your contribution will default into an age-based Target Date Fund.		
	Individual Fund Options: American Beacon Intl Fund American Beacon Sm Cap American Funds EuroPacific Artisan Mid Cap Fund CCOERA Book Value Fund Cohen & Steers Realty Shares Dodge & Cox Stock Fund Fidelity Contrafund Fidelity Low Priced Fund Harbor Capital Appreciation Metro West Total Return Fund Neuberger Berman Social Fund PIMCO High Yield Fund Vanguard Fed Money Market Vanguard Inst 500 Index Vanguard Mid Cap Index Fund Vanguard Sm Cap Index Fund	Target Date Funds (TDFs): CCOERA TDF Income CCOERA TDF 2010 CCOERA TDF 2015 CCOERA TDF 2020 CCOERA TDF 2025 CCOERA TDF 2030 CCOERA TDF 2035 CCOERA TDF 2040 CCOERA TDF 2045 CCOERA TDF 2050 CCOERA TDF 2055 CCOERA TDF 2060	

Plan Highlights and Features (Continued)

	401(a) Retirement Plan (Mandatory Participation)	457(b) Deferred Compensation Plan (Voluntary Participation)	
What is my employer's vesting schedule?	You are immediately 100% vested upon participation in the plan.	Deferred Compensation contributions are always 100% vested.	Did You Know? <ul style="list-style-type: none"> • The ratio of years worked to years retired has shrunk from 3:1 to less than 2:1 • A 25 year old making \$35,000 a year, with a 3% annual increase, will be making \$98,485 at age 60. • If the same 25 year old saves 5% of income, with a 5% employer match and earns 5% a year, their retirement savings would be about \$650,000 at age 65. • Over 20 years of retirement, this amount could provide \$43,330 of annual income, with a 2% annual inflation increase, which is 44% of pre-retirement income. • The key to a successful retirement depends on a combination of savings years, savings rate and investment returns.
What is vesting?	Vesting refers to your ownership of your employer's contributions to your account. You are always 100% vested in the contributions you make each pay period, but your employer's contributions may be subject to a vesting schedule based on your years of service. Should you terminate employment before becoming fully vested, you would only receive the vested portion of your employer contributions and earnings. Your vesting is accrues monthly.		
When may I receive a distribution?	Distributions (lump-sum or regular payments) are only available upon Separation of Service, Retirement or Death.	Distributions are only available for Unforeseeable Emergencies, Separation of Service, Retirement or Death. Roth assets are not eligible for Emergency withdrawals.	
May I rollover CCOERA funds to another plan, if I change employers?	Yes, you may roll the vested portion of your CCOERA account to your new employer's plan or IRA, or you may receive a cash distribution subject to applicable taxes and penalties. Also, you may choose to keep your account at CCOERA indefinitely.	Yes, you may roll your regular deferred compensation funds to your new employer's plan or an IRA, but possibly lose special tax advantages. Also, you may choose to keep your account at CCOERA indefinitely.	
Are there any taxes or penalties on eligible distributions?	Prior to reaching a normal retirement age, there may be taxes and penalties for cash distributions. You may need to consult a tax advisor.	Eligible cash distribution from your 457(b) deferred compensation account may be subject to taxes but not penalties, unless the distribution is a Roth distribution. You may need to consult a tax advisor.	

How do I obtain more information about my CCOERA account(s)?

CCOERA prides itself on providing plan participants with the best service possible. A CCOERA Regional Client Services Manager will visit your employer at least once per year to provide meetings about retirement and investments, which may include both group and individual meetings.

As a Non-profit Retirement Association, the cost of maintaining your retirement funds with CCOERA is lower than with a typical retail financial services provider. All participants pay an annualized administrative fee that is the greater of 0.25% of your account balance or \$28.00, which is waived on amounts over \$175,000.

For more information, please contact a CCOERA Client Services person at (303) 713-9400, one of our Call Center representatives at (800) 352-0313 or visit our website at www.ccoera.org.

