

TO: ALL EMPLOYEES
FROM: BURR RIDGE PARK DISTRICT PAYROLL DEPARTMENT

RE: NATIONWIDE RETIREMENT PLAN

Please find attached a two-part form entitled OBRA Acknowledgement Card, which is an application for the Nationwide Retirement Solutions Deferred Compensation (457) plan. This plan is not an option but mandatory in that the Burr Ridge Park District does not participate in Social Security if you work less than 20 hours per week year around. As a local government we have this option but are required to participate in a substitute retirement program approved by the IRS. For seasonal and part-time employees the total contribution of 100% which is equal to 7.5% of gross pay (prior to taxes) go to the Nationwide (NWG) Fixed Account due to the nature of the small contribution. At the end of your employment if the employee does not plan to return to work for the Park District, they may contact the Nationwide offices at 1-877-677-3678 and receive their total contribution back or they may leave it to draw interest like a savings account. The rate is always much higher than a bank and tax free until you withdraw the funds.

The mandatory contribution to Nationwide is 7.5% but the contribution to Social Security is only 6.2%. The Park District actually pays the employees an additional 1.3% and then deducts the total 7.5%.

This is not easy to understand so please feel free to phone Jamie Janusz at the Park District offices at 630-920-1969 with any questions.

NOTE: FILL IN THE HIGHLIGHTED AREAS ON THE FORM AND RETURN THE ENTIRE FORM WITH YOUR OTHER PAPERWORK TO BARB BARKSTROM AT THE PARK DISTRICT OFFICES. IN ORDER TO RECEIVE YOUR 1ST PAYCHECK, ALL PAPERWORK MUST BE RETURNED.