

DEFERRED COMPENSATION

SUMMARY

The Miami-Dade County's Deferred Compensation Plan gives employees the opportunity to put money aside for retirement using payroll deductions and reduce their current income for tax purposes. This program is offered through two providers, International City Management Association Retirement Corporation (ICMA-RC) and Nationwide Retirement Solutions (NRS).

PROCEDURE

To Enroll

1. Call the Benefits Administration Unit, Risk Management Division, Human Resources Department (HR), or the departmental personnel representative (DPR), or the deferred compensation providers directly for information about the plan and how it works.
2. Contact the providers directly for specific questions pertaining to the investment options offered by each provider. ICMA-RC can be reached at 1-800-669-7400 and NRS at 1-877-677-3678.
3. To enroll, select a provider and investment option(s). For enrollment forms, contact the provider directly or the Benefits Administration Unit, Risk Management Division, HR.
4. Complete enrollment forms and send to the Benefits Administration Unit or to the provider's address listed on the form.
5. IRS regulations prohibit processing of new enrollments until the month following the month the enrollment forms are dated.
6. The maximum allowable contribution for 2012 is \$17,000. Employees who are at least age 50 can contribute an additional \$5,500.
7. Employees, who are within 3 years from the year of attaining normal retirement age, may be eligible to participate in the catch-up provision. The maximum contribution for employees utilizing the catch-up may be as high as \$33,000. For additional information on the catch-up provision, contact the Benefits Administration Unit, Risk Management Division, HR.

To Change

1. Changes in the amount of the deduction can be made on the provider's web page, or by calling the provider directly.
2. Changes can be made at anytime. However, increases in deduction amounts cannot be processed until the month following the date the request is submitted online at the provider's website.

Withdrawals

Taking money out of a deferred compensation plan can be done only upon separation from County Service, in the event of an unforeseeable emergency, under the in-service withdrawal provision, or if securing a loan.

Separation from County Service

When an employee leaves County service, she/he must contact their provider directly for a withdrawal packet if they wish to withdraw funds. The former employee may however elect to leave the funds in the account or roll-over to another qualified retirement plan. To complete the withdrawal form, the former employee must also have employer authorization. Employer authorization is given by the Benefits Administration Unit, Risk Management Division, HR.

Unforeseeable Emergencies

The plan allows for unforeseeable emergency withdrawals as stipulated by IRS guidelines. The employee must contact their provider directly for an unforeseeable emergency withdrawal packet. It includes a pamphlet explaining IRS requirements governing unforeseeable emergency withdrawals.

1. Return the completed unforeseeable emergency withdrawal forms to your provider.
2. The forms will be reviewed by the provider. The employee will be informed if the situation qualifies under the IRS guidelines.
3. If the unforeseeable emergency withdrawal is approved, the provider will release the money.

In-Service

1. Employees wishing to make an in-service withdrawal, must contact the provider directly.
2. To qualify for an in-service withdrawal, the balance of the employee's account(s) must be less than \$5,000 and the account(s) must be inactive for two years.

Loans

Loans to purchase a primary residence or for general purposes, are available through each provider. Loan applications must be requested directly from the provider. Loan terms, conditions and any applicable fees are included in the application packet and may be discussed with the provider. The provider will notify employees and issue payments directly, if approved.

Statements

1. Statements will be sent to employees directly by the provider company. NRS statements and ICMA statements are sent quarterly.
2. When employees receive their statement, they should verify that the amount of deductions from their paycheck agrees with the amount of contributions shown on the statement. Depending on the timing, the last paycheck of the statement period may not be reflected on the statement.
3. If you have any questions about your statement, you should contact the provider directly. However, if you are not satisfied with the response from the provider, contact the Benefits Administration Unit, Risk Management Division, HR for further assistance.

CONTACT(S):

Department/Division

Human Resources Department/Risk Management Division

REFERENCE DOCUMENT(S):

Code of Miami-Dade County, Section 2-56.27.11

Florida Statutes 112.215

Internal Revenue Code, Section 457