

# Welcome



We welcome your questions, but due to the number of attendees the microphone, camera, and chat box will be inactive for online participants.

Bureau of Deferred Compensation staff are available to answer your questions.

Please call 877-299-8002 or email your questions to [DeferredCompensation@MyFloridaCFO.com](mailto:DeferredCompensation@MyFloridaCFO.com).

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## Workshop Topics:

What is the Florida Deferred Compensation Plan?

Sources of Income in Retirement

Key Benefits / Payroll Contribution Amounts / Roth High Earners

Comparison of 457b Pre-Tax vs. 457b Roth

Plan Investment Options / Resources

Distributions

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# Brief History of the Plan

Commissioned in 1982

One of the largest deferred compensation plans

More than 95,000 Participants

457b Pre-Tax vs. 457b Roth Payroll Contributions

Top-level investment opportunities

Excellent customer service

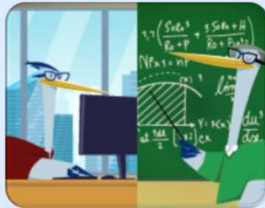
Administered by the Bureau

**PLAN.**  
**SAVE.**  
**RETIRE.**

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State  
City  
County



Universities  
Colleges



Special  
Districts

**Plan  
Eligibility &  
Portability**

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## Employer Sponsored Plans

- SUSORP 403b
- SCCSORP 403b
- FRS Investment Plan (Mandatory)
- FRS Pension Plan (Mandatory)
- Other Employer Plans


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## Voluntary/Supplemental Options

<b>Pre-Tax Retirement Savings:</b>	<ul style="list-style-type: none"><li>• 457b Pre-Tax Florida Deferred Compensation Plan</li><li>• 401k</li><li>• 403b</li><li>• Traditional IRA</li></ul>
<b>Post-Tax Retirement Savings:</b>	<ul style="list-style-type: none"><li>• 457b Roth Florida Deferred Compensation Plan</li><li>• Roth IRA</li><li>• Investments</li><li>• Bank Savings</li><li>• Certificates</li></ul>



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# Key Benefits

**457b Pre-Tax:**

- Payroll contributions that lower taxable income
- Distributions taxed as income
- Penalty-free withdrawals after 31 days of separation from employment

**Both:**

- Same investment options
- Contributions combine to Maximum Limits for 457b
- Penalty-free account modification
- Consolidate other eligible retirement accounts
- Invest accrued leave and DROP accumulations into the Plan

**457b Roth:**

- Post-tax Payroll contributions
- Qualified distributions are not included in gross income
- 457b Roth qualified distribution rules apply

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## Minimum Contribution

<b>Bi-Weekly</b>	<b>Monthly</b>
\$10	\$20

**Or**

- A set \$ amount, OR
- A percentage of your pay\*

\*Some agencies do not allow percentages.

[MyFloridaDeferredComp.com](http://MyFloridaDeferredComp.com)

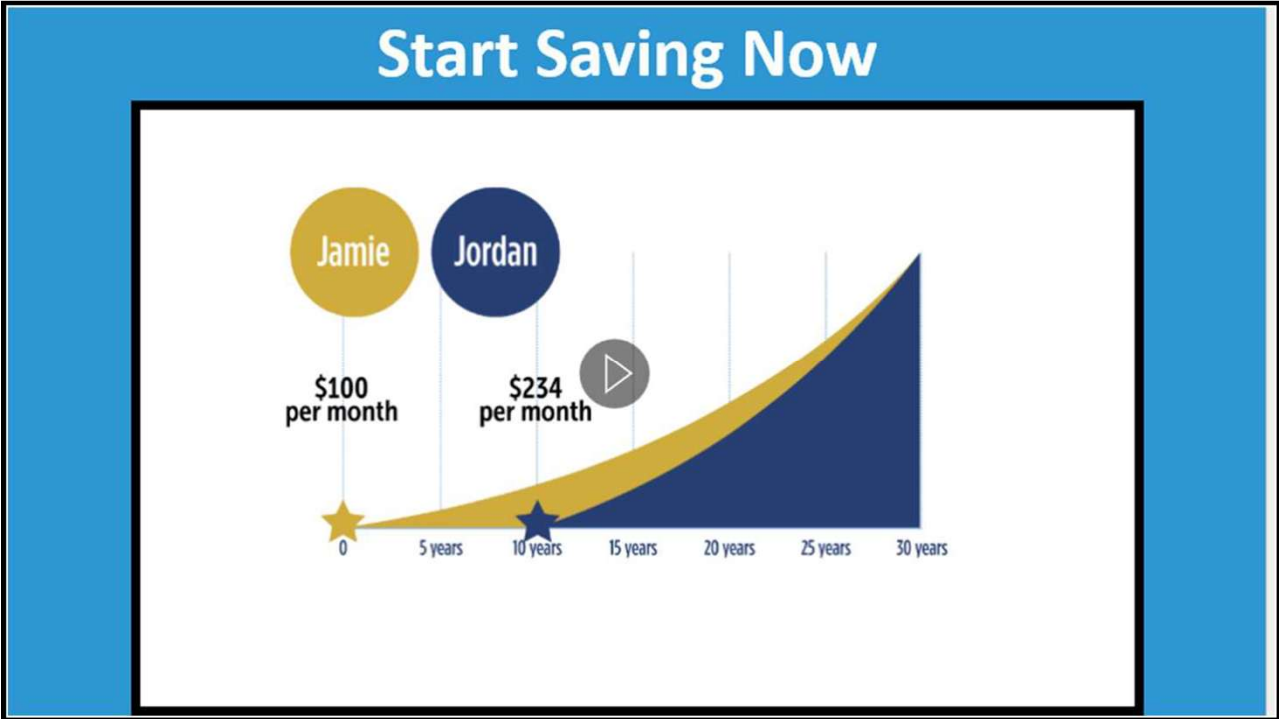


Enroll Now

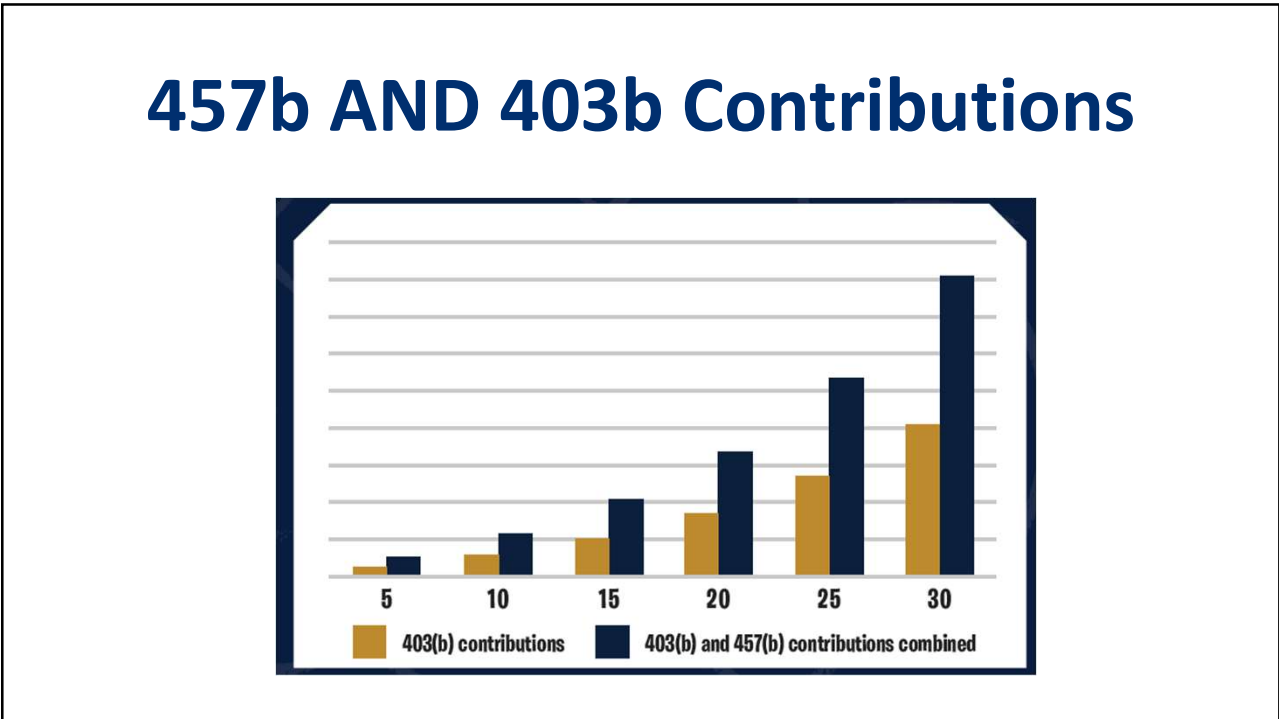


Increase Contributions

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## 457b vs. 403b TSA

### What's the difference?

- Contribution Limits are higher with 457b Plan
- 457b - No access tax (expense) – distribution at 59 ½ if still working
- Could be more expensive fees (i.e. cost of the plan)
- Not the same investment options – diversification (oversight by our Bureau)

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It's as easy as

A


B

C



Which  
Payroll  
Contribution  
Type is Right  
for You?

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**Avery**

### Option A: 457b Pre-Tax payroll contributions:

- Wants to continue making payroll contributions that lower current taxable income.
- Paying income taxes on distributions of principal and interest during retirement is not concerning.
- Likes knowing part of what would have been paid in taxes, now, is invested as a contribution.

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# Taxable Income

Here's how that works for a single person with taxable income of \$58,000 per year:

\$58,000	This portion is taxed at <b>22%</b>
\$47,150	This portion is taxed at <b>12%</b>
\$11,600	This portion is taxed at <b>10%</b>
\$0	

<https://www.irs.gov/filing/federal-income-tax-rates-and-brackets>

### What is taxable income and Why does it matter?

\$100,525	22% Tax Bracket	Income	\$14,600	Standard Deduction
\$47,150	12% Tax Bracket		\$23,000	Def Comp Pre-Tax Contributions
\$11,600	10% Tax Bracket			Taxable income

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### Option B: 457b Roth (post-tax) payroll contributions:

- Lowering current taxable income is not top priority.
- Expects similar or higher tax rates at retirement, so paying taxes now means tax-free interest (on qualified distributions) at retirement.
- Willing to continue making the same contribution, even though there is not a current tax benefit; or comfortable with reducing contributions, so the net effect on their paycheck remains similar.



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### Option C: Combination of 457b Pre-Tax and 457b Roth (post-tax) payroll contributions:

- Wants the best of both worlds: Pre-Tax payroll contributions that lower taxable income now and Roth payroll contributions that are taxed now but earn tax-free interest (on qualified distributions).
- Likes flexibility in taxation of distributions, which having both deferral types at retirement offers.
- Considers personal ability to make payroll contributions to the Plan and how each deferral type impacts their paycheck.



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2026	Catch-Up Contribution Amount	Maximum Contribution Amount	Suggested Bi-Weekly Contribution*	Suggested Monthly Contribution*
Regular Limit**	N/A	\$24,500.00	\$942.30	\$2,041.66
Standard Catch-Up**	Up to \$24,500.00	\$49,000.00	\$1,884.61	\$4,083.33
Ages 50+ Catch-Up	\$8,000.00	\$32,500.00	\$1,250.00	\$2,708.33
Ages 60 to 63 Catch-Up	\$11,250.00	\$35,750.00	\$1,375.00	\$2,979.16

Contributions can be increased at [MyFloridaDeferredComp.com](https://MyFloridaDeferredComp.com) by clicking the **Increase Contributions Button**, or contact the Bureau of Deferred Compensation or your Investment Provider(s).

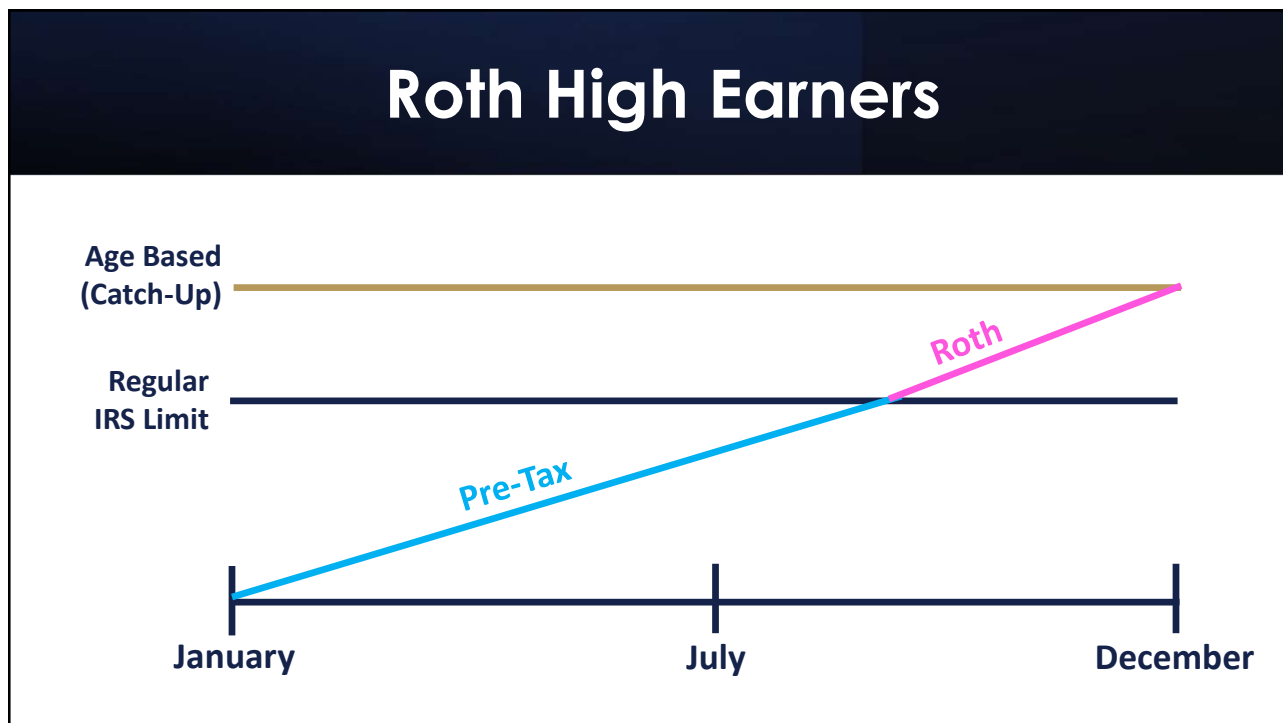
\*Based on regular payroll schedule dates (26 bi-weekly/12 monthly) starting in January 2026. Contributions can be changed at any time (suggested contributions will vary based on deferral start date and are rounded down to the nearest cent).

\*\*Contributions may be either 457b Pre-Tax or 457b Roth.

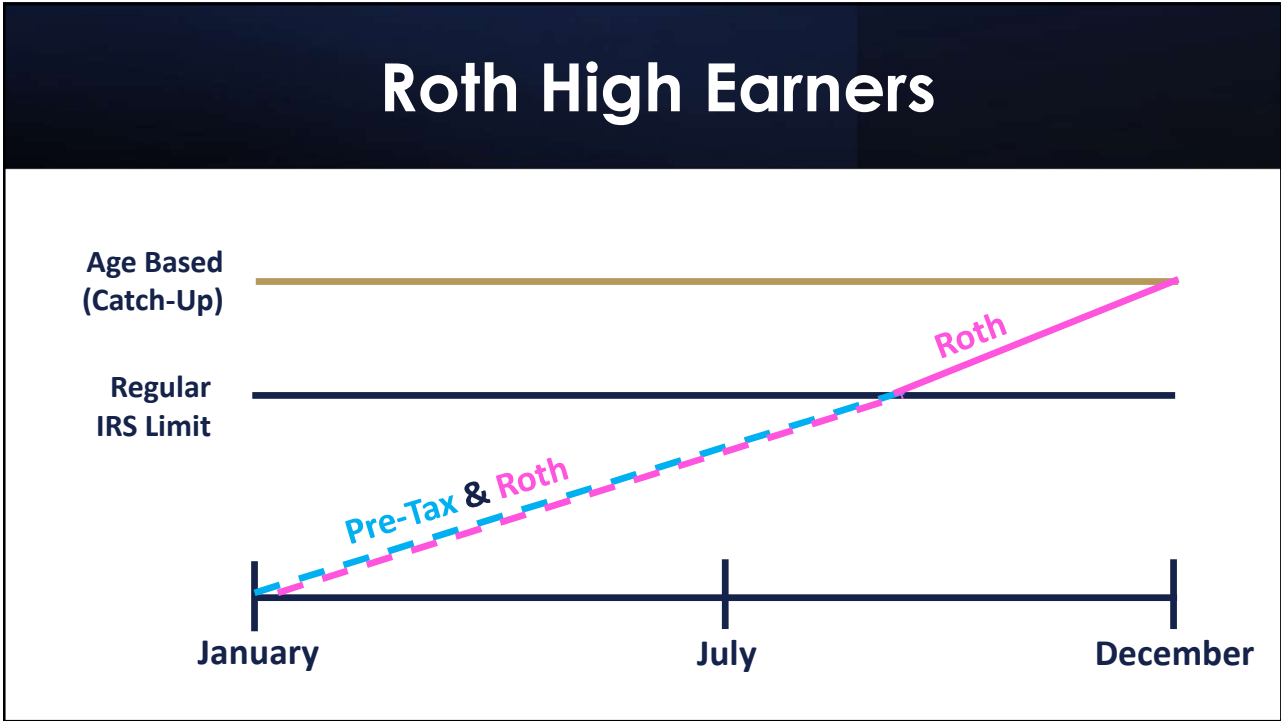
Standard Catch-Up is based on an application process, and Catch-Up Contribution Amounts may vary. Please contact the Bureau of Deferred Compensation for additional information.

Beginning January 2026, contributions up to the Regular Limit may be either 457b Pre-Tax or 457b Roth. After reaching the Regular Limit, however, High Earners with 2025 FICA wages of \$150,000 or more must make Age-Based Catch-Up contributions on a 457b Roth (after-tax) basis.

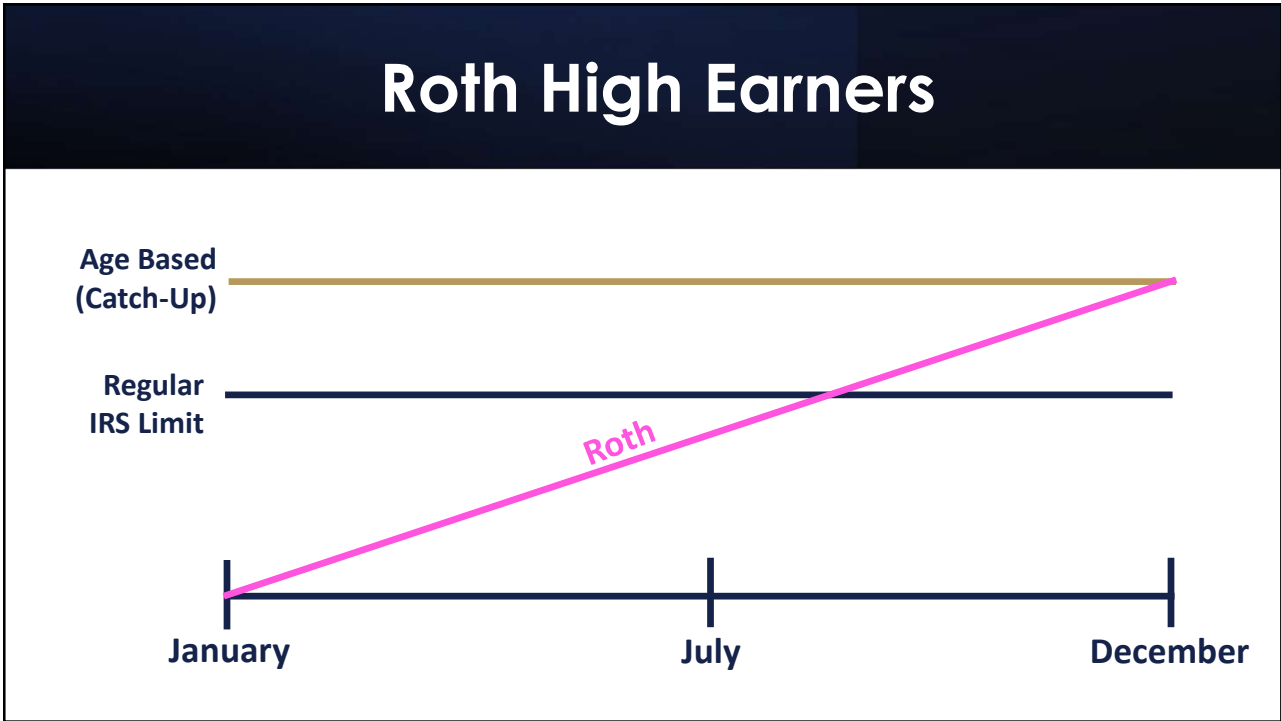
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## Participants Exempt from Secure 2.0, Section 603

- Participants making 457b Standard Catch-Up Contributions are not subject to Secure 2.0, Section 603.
- Participants who did not make \$150,000 or more FICA wages, as indicated in Box 3 of their 2025 W2, are not subject to Secure 2.0 Section 603.

For more information on Roth High Earners please visit our website at [FAQ | Deferred Compensation | MyFloridaCFO](#)

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Will I have enough income in my retirement years?

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# How are you feeling about reaching your retirement income goals?



I am confident I am on Target!



I think I might be on Target?



I am nowhere near Target!



I have no idea what my Target retirement income goal is!

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# Investment Providers



Nationwide<sup>®</sup>  
is on your side



Self-Directed  
Brokerage



Available by  
request.

[MyFloridaDeferredComp.com](http://MyFloridaDeferredComp.com)

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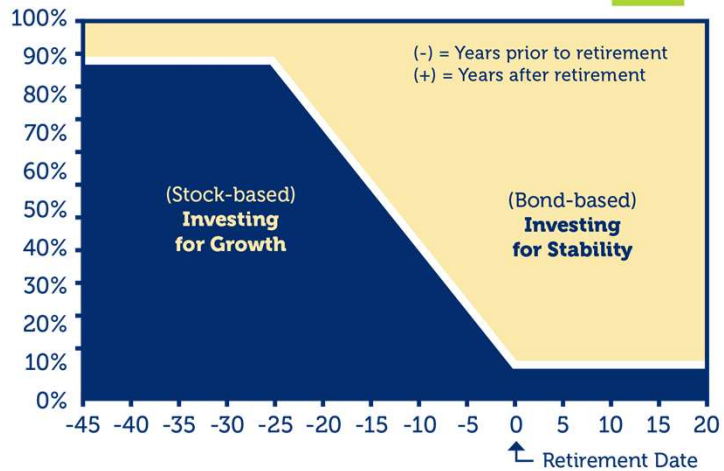
# Investments Catered to You

- ▶ You Choose:
  - ▶ Investment Provider(s)
  - ▶ Where to invest
  - ▶ How much to contribute each pay period
- ▶ Types of Investments:
  - ▶ Target Date Funds
  - ▶ Fixed Accounts
  - ▶ Mutual Funds



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## Target Date Funds



This graph is for illustrative purposes only and is not meant to represent the performance of any specific investment option.

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# Fixed Accounts

This graph is for illustrative purposes only and is not meant to represent the performance of any specific investment option.

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# Mutual Funds

This graph is for illustrative purposes only and is not meant to represent the performance of any specific investment option.

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**Self-Directed Brokerage Account**



**Available by request.**

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### Quarterly Performance Report

As of December 31, 2024

It is the policy of the Department of Financial Services (DPS) to make available a broad range of investment options that have varying degrees of risk and return. The DPS has the responsibility to ensure Participants have a variety of investment options and have information available to them about those options. The DPS is also responsible for making sure program investment management expenses are kept to a minimum.  
The Florida Deferred Compensation Plan is a Participant

**Investment Options Available.** The Investment Providers offer a wide variety of Fixed Accounts and Mutual Funds. Additional information about the investment menu of each Investment Provider can be found on their respective websites.

**Qualified Default Investment Alternatives (QDIA).** Each Investment Provider offers a menu of Target Date Funds (TDF) used as a default investment based on the Participant's age and time to retirement. These TDFs



[MyFloridaDeferredComp.com/PWB](http://MyFloridaDeferredComp.com/PWB)

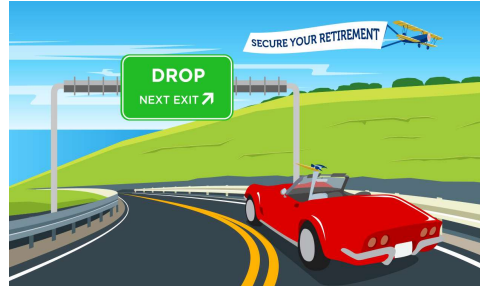
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# Deferred Retirement Option Program



## Entering

- Mandatory 3% to FRS
- Annual Leave Payout
- Enroll any Time
- Continue Contributions



## Exiting

- DROP Accumulation Balance
- Annual/Sick Leave Payouts
- Continue financial growth
- Distributions when you need them

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 A large illustration of a beach scene. In the foreground, there are two wooden lounge chairs on a yellow beach, with a pair of blue flip-flops nearby. A stork is sitting on one of the chairs. The background shows a blue ocean, a white sandy beach, and palm trees under a blue sky with white clouds. A sign in the bottom right corner reads "Distributions When You Need Them" and shows a hand holding a stack of money with a dollar sign.
 

Puzzled about what happens to your assets after you leave employment?

**Distributions When You Need Them**

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## IMPORTANT INFORMATION



### Beneficiary Designation

- Beneficiary can be spouse, relative, non-spouse, or trust
- Multiple beneficiaries
- Update Beneficiary Designation anytime
- Review on Investment Provider website or on your Quarterly Statement

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You have a great opportunity to share your Plan experience with others. Please visit the **What's the Word on the Street** section on our website home page for more information and to make a submission. Your statement may be published!

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## Upcoming Workshops/Events

Visit our website Events Page at [Events | Deferred Compensation | MyFloridaCFO](#)

- 7/9 – Roth High Earners Workshop
- 7/30 – Statewide Florida Deferred Compensation Plan Workshop
- 8/6 – Roth High Earners Workshop
- 8/13 – DROP Workshop
- 11/5 - Statewide Florida Deferred Compensation Plan Workshop

**Investment Providers offer webinars on many financial topics.**

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# Enroll Today!

Please utilize the chat feature  
on our website at  
[MyFloridaCFO.com/DeferredComp](http://MyFloridaCFO.com/DeferredComp);  
Or call (877)-299-8002;  
or email your questions to  
[DeferredCompensation@MyFloridaCFO.com](mailto:DeferredCompensation@MyFloridaCFO.com).



**Plan what is Possible,  
Save what is Manageable, and  
Retire when Comfortable.**

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## Website Walk Through

- [Home Page](#)
  - Bureau's Operations Team
  - [Investment Provider Representatives by Region](#)
  - [Events Page](#)
  - [Enrollment](#)                      [Increase Contributions](#)
  - [Resources](#)                      [Videos](#)
  - Word on the Street