FAQs

What kind of plan is the Florida Deferred Compensation Plan and why should I enroll?

The Florida Deferred Compensation Plan is a 457b retirement plan that allows 457b Pre-Tax and 457b Roth payroll contributions. The Plan is an excellent way to increase retirement security, providing exceptional investment options to Participants.

Who is eligible to enroll in the Plan?

The Florida Deferred Compensation Plan is offered to all State of Florida employees, including OPS and DROP participants, employees of the State University System, the State Board of Administration, and other Government Employers, including Counties*, Cities*, State Colleges*, Special Districts*, Water Management Districts*, and more*.

*Subject to employer participation

When can I enroll?

Eligible employees may enroll in the Plan at any time of the year* and not just during the Open Enrollment Period.

*Processing of paperwork will determine the exact date deferrals will start after enrollment has been initiated.

How do I choose my Investment Provider?

All Investment Providers offer similar investment options and excellent customer service. The Deferred Compensation Plan provides an updated "Quarterly Performance Report" in the Plan Watch Booklet, which lists and compares all investment options offered by the Plan's Providers, at MyFloridaDeferredComp.com/PWB.

Am I able to consolidate outside retirement accounts into my Deferred Compensation Plan account?

Yes, assets from eligible pre-tax and post-tax retirement accounts (e.g. 401k, 403b, 457b, DROP, FRS Investment Plan, or IRAs) can be consolidated into the Plan.

How much can I contribute?

The minimum payroll contribution is \$20 per monthly pay period or \$10 per bi-weekly pay period. Contributions as a percentage cannot exceed 80% of a Participant's paycheck. The maximum contribution limits for 457b retirement plans are determined by the Internal Revenue Service (IRS) and are updated yearly. Both 457b Pre-Tax and 457b Roth payroll contributions are combined and subject to Internal Revenue Code (IRC) Section 457b limits.

For the most up-to-date maximum limits, see Internal Revenue Code (IRC) Section 457b at IRS.gov, or view the current contribution limits and suggested bi-weekly and monthly deferral amounts at *MyFloridaDeferredComp.com* under *Publications, Administrative Documents, and Forms*.



Administered by:

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Go to MyFloridaDeferredComp.com



Investment Providers



888-467-3726 FloridaDCP.CorebridgeFinancial.com



800-949-4457 NRSFlorida.com



800-282-6295

Florida457.BeReady2Retire.com

Self-Directed Brokerage



888-393-7272 Schwab.com (enrollment through Investment Provider)







Brief History of the Plan

Commissioned in 1982, the Florida Deferred Compensation Plan (Plan) helps more than 90,000 current and former employees, to save for retirement and invest in the future. The Plan was initiated as an opportunity to allow State of Florida employees to invest and save more towards retirement, as a supplement to the required Florida Retirement System (FRS). Now, all of Florida's Government Employers are eligible to join, including State, County, City, Special Districts, Water Management Districts, and more!

The Florida Deferred Compensation Plan is separate from the FRS and is completely voluntary. The Plan is designed so each Participant can save at a comfortable pace while benefiting from tax sheltered investing, with both 457b Pre-Tax and 457b Roth payroll contributions.

Key Benefits of the Plan:

- Easy to understand fee structure and low fund expense fees
- Excellent investment options, including Fixed Accounts, Target Date Funds, numerous Mutual Funds, and a Self-Directed Brokerage Account
- Penalty-free account modification, such as contribution change, investment reallocation, and Investment Provider addition/replacement
- 457b Pre-Tax and 457b Roth payroll contributions are allowed
- Consolidate other eligible retirement accounts
- Dedicated customer service and professional investment performance oversight from the Bureau of Deferred Compensation and the Plan's Investment Providers
- Immediate vesting

457b Pre-Tax Payroll Contributions:

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

457b Roth Payroll Contributions:

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

Go further with your savings!

Enroll in the Florida Deferred Compensation Plan as soon as possible!



The Importance of Saving More

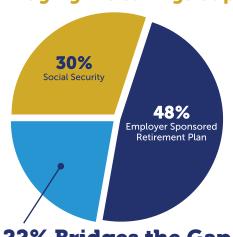
The chart to the left shows how contributing to the Florida Deferred Compensation Plan could potentially benefit retirement savings. The chart compares a potential return after saving for 10 years, 20 years, or 30 years. It also compares contributions (per monthly pay period) of \$25, \$50, \$75, and \$100.

Start Saving Now



The graph above compares two State employees to show how saving early with the Florida Deferred Compensation Plan creates a benefit for retirement savings. Jamie and Jordan both begin State employment at age 25. Jamie starts saving \$100 every month with the Plan right away. Jordan, however, waits 10 years to start saving with the Plan. Jordan must save over \$234/month to reach a similar retirement savings balance. Be like Jamie! Start saving now!

Bridging the Savings Gap



22% Bridges the Gap to get to 100% Income Replacement

Your employer sponsored retirement plan and Social Security are likely to only provide about 78% income replacement during retirement. That leaves a 22% gap in income replacement. The Florida Deferred Compensation Plan is available to help bridge the savings gap.

All charts/graphs are for illustrative purposes only and are not meant to represent the performance of any specific investment option. Each scenario assumes a 7% return and reinvestment of earnings, with no withdrawals. Return amounts have been rounded down to the nearest dollar. Rates of return may vary.

There is More Than One Way to Meet Your Retirement Savings Goals!

The Florida Deferred Compensation Plan accepts 457b Pre-Tax and 457b Roth payroll contributions.

When Would You Rather Pay Taxes?

457h Roti

457h Pre-Tax

	45/D Pre-lax	45/D KUU
Taxes	Pay no income taxes on contributions during your working years. Pay taxes when you withdraw during retirement.	Pay income taxes on contributions as they are made. Withdraw savings tax-free during retirement (qualifying conditions apply).
Payroll Contributions	457b Pre-Tax payroll contributions are deducted from your salary before taxes are taken, which might reduce your taxable income.	457b Roth payroll contributions are made after taxes are taken and are subject to Federal Income Tax withholding.
Earnings	Grow tax-deferred earnings.	Grow tax-free earnings (qualifying conditions apply¹).
Distributions	Distributions (contributions and earnings) are taxable as current income when withdrawn.	Distributions are tax-free (qualifying conditions apply).
Required Minimum Distributions (RMDs)	If you are retired, RMDs begin at age 73.	Do not apply to 457b Roth accounts during lifetime of the owner.

¹A qualified distribution is generally a distribution that is made after a 5-taxable-year period of participation and is either made on or after the date you attain age 59½, made after your death, or attributable to your being disabled.

Annual Take-Home Pay Comparison²

	457b Pre-Tax	457b Roth
Gross Income	\$50,000	\$50,000
Taxable Income	\$48,800	\$50,000
Take-Home Pay	\$36,600	\$36,300

²Assumes \$1,200 annual payroll contribution with a 25% Income Tax Rate while contributing.

Future Value Comparison³

457b Pre-Tax	457b Roth
\$121,997	\$121,997
-\$24,399	N/A
\$97,598	\$121,997
	\$121,997 -\$24,399

³Assumes a 20% Income Tax Rate at retirement.