

# Los Rios Community College District Special Pay Plan

## Frequently Asked Questions



### What is a Special Pay Plan?

A Special Pay Plan is a 403(b) retirement plan funded by your employer using special forms of compensation such as your unused sick leave and vacation pay. Payments may also be based on your years of service, severance and other retirement incentives.

### Am I eligible to participate in the plan?

To be considered an eligible plan participant, you must be at least age 55 and be employed as a Service Employees International (SEIU), Los Rios Classified Employees Association (LRCEA), Los Rios Supervisors Association (LRSA), Los Rios Management Employees, Confidential Employees.

### What are the benefits of a Special Pay Plan?

- Your contributions are 100% vested upon retirement and made on a pre-tax basis
- You permanently save 7.65% on FICA taxes (Social Security and Medicare)
- Funds are invested in a Fixed Interest account with a competitive rate of return
- Funds are not subject to market risk

### How often will my employer contribute to my account?

Your employer will contribute to your account a single time. If payment exceeds the IRS maximum annual limit the balance of the District contribution will be made in the following manner:

- The excess contribution will be paid in cash to employees of the SEIU and LRSA.
- The excess contribution will be paid to the Special Pay Plan in January of the next calendar year for employees of the Los Rios Management Employees, Confidential Employees, and the Los Rios Classified Employees Association (LRCEA)

\*For detailed information regarding contribution amounts and timing, please contact your employer.

### Are there contribution limits?

Yes. There are maximum allowable limits on contributions to your 403(b). Your employer is aware of the annual contribution limit and makes deposits accordingly. To view the current maximum allowable limits, visit <https://www.MyMidAmerica.com/participants/retirement/403b-tpa-services/>.

### Can I make contributions into my Special Pay Plan?

Only your employer can make deposits into your Special Pay Plan. You cannot contribute.

### Where are funds invested?

Funds are invested in a fixed annuity with a guaranteed rate of return. Investments are provided by American United Life Insurance Company®, a OneAmerica® Company (AUL). For more information on your investments, please visit [www.oneamerica.com](http://www.oneamerica.com).

### How often will I receive account statements?

You will receive paper statements on an annual basis. However, you may access your account activity anytime by logging in to your account on our secure website, [www.MyMidAmerica.com](http://www.MyMidAmerica.com). Your temporary

login is your Social Security number and your temporary password is the last four digits of your Social Security number. You will then be asked to change your user name and password.

### Can I name a beneficiary?

Yes. The Beneficiary Form can be obtained online by logging into your account on our secure website, [www.MyMidAmerica.com](http://www.MyMidAmerica.com). Your temporary login is you Social Security number and your temporary password is the last four digits of your Social Security number. You will then be asked to change your username and password.

You can also obtain the form by calling or emailing our Customer Service department at (855) 329-0097 or [accountservices@MyMidAmerica.com](mailto:accountservices@MyMidAmerica.com).

### Can I roll another retirement account into my Special Pay Plan?

Yes, you can roll over an eligible retirement account into your Special Pay Plan.

## Requesting Distributions

### When can I take a distribution?

You are eligible to take a distribution from your account upon retirement or separation of service.

There is an IRS 10% penalty for distributions taken prior to age 59½ for plans such as this. However, if you are at least age 55 upon separation and remain separated, the penalty does not apply. If you return to work prior to age 59½ for the same employer for more than 20% of your preretirement schedule, to avoid the penalty, you should suspend distributions until you reach age 59½.

### Am I required to take a distribution?

You are required to begin receiving Required Minimum Distributions (RMDs) by April 1 of the year following (a) attainment of age 70½ or (b) retirement, whichever is later, per IRS tax regulations. If you do not begin receiving your RMD, the IRS applies an excise penalty tax equal to 50% of your total RMD not distributed during the taxable year. Beginning in the year you turn 70½, MidAmerica will send you an annual statement each fall noting the amount of your RMD. If you have more than one 403(b) plan, you have the option to take your total aggregated RMD amount from only one plan.

### How do I request a distribution?

You can request a distribution by completing a Distribution Election Form, which can be obtained by logging into your account on our secure website, [www.MyMidAmerica.com](http://www.MyMidAmerica.com). Your temporary login is you Social Security number and your temporary password is the last four digits of your Social Security number. You will then be asked to change your username and password.

You can also obtain the form by calling or emailing our Customer Service department at (855) 329-0097 or [accountservices@MyMidAmerica.com](mailto:accountservices@MyMidAmerica.com).

### What are my distribution options?

You can choose to take your distribution:

- Monthly
- Quarterly
- Annually
- One time
- Lump sum

If you choose an installment option, the installment must be a minimum of \$500. If the funds are less than \$500, then you will receive a lump-sum payment in the amount of the available funds.

## What is the loan policy?

The maximum loan amount cannot exceed 50% of your vested account balance or \$50,000 coordinated with all Plans sponsored by the District. Only one loan is permitted to be outstanding and the minimum loan amount is \$1,000.

## Are there any fees?

No, there are no fees associated with your Special Pay Plan.

## Questions?

If you have questions regarding your plan, please contact MidAmerica Administrative & Retirement Solutions (MidAmerica), the plan administrator, at (855) 329-0097 or email us at [accountservices@MyMidAmerica.com](mailto:accountservices@MyMidAmerica.com).

If submitting paper forms, send to:

MidAmerica Administrative & Retirement Solutions  
Attn: SP Admin  
402 South Kentucky Avenue, Suite 500  
Lakeland, Florida 33801  
Fax: (863) 688-4200  
[distributions@MyMidAmerica.com](mailto:distributions@MyMidAmerica.com)

