Polk County Voluntary Retirement

Deferred Compensation Program Summary

Definition - The Polk County Voluntary Retirement Program is a program (offered by your employer) designed to increase your personal savings for retirement and lower your current taxable income. Voluntary Retirement savings help fund your retirement along with your pension (IPERS) and social security benefits.

Eligibility – You are eligible to contribute if you are eligible for Polk County benefits. You are eligible on the first day of the month following 30 days of employment.

Contributions – Please Note: The total of all contributions made to this 457 plan and/or any other government employer's eligible 457 plan, must not exceed the IRS maximum limits indicated below:

- Deductions are taken from your paycheck before state and federal income tax.
- The 457 plan offers a Roth feature in which contributions are deducted from your paycheck post tax.
- You choose how much to contribute up to the maximums shown below. You may change your contribution amount at any time at www.principal.com. **However, the change is effective the first of the month following the date the change is made.**
- Automatic enrollment is $25 per pay period.

Year	Regular Contribution Limits	50+ Catch-Up Contribution Limits	3-Year Catch-Up Contribution Limits
	The lesser of 100% of compensation or:	For participants age 50 or older, the regular limit is increased by $7,500:	The total of the regular limit plus amount of missed contributions up to:
2025	$23,500	$31,000	$47,000

County Matching Contributions-

Polk County will match 50% of the employee contribution up to the maximum match listed below based on your benefit group. You may select the same investment mix for both the 457& 401(a), or select different investments for each.

Teamsters / AFSCME	Greater of $27.69 per pay period or 1% of base annual compensation
Non-Bargaining	4% of base annual compensation
Department Heads	10% of base annual compensation
Elected Officials	6% of base annual compensation
Assessor Employees	4% of base annual compensation

Tax Advantages – If you elect pre-tax deductions, your payroll deductions are invested on a pretax basis and your investment earnings grow tax-deferred. Nothing is taxable until you take money out at retirement. Distributions are taxed as ordinary income and reported on a 1099-R.

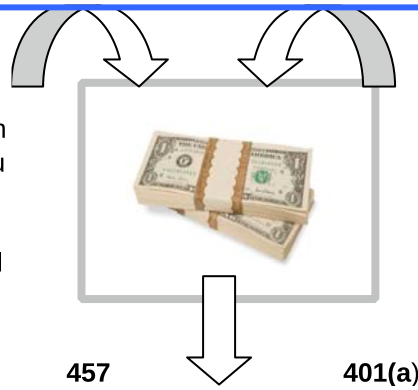
If you elect to participate in the Roth Feature, your contributions are taxed now but qualified withdrawals are tax-free.

Investment Selection – Principal Financial Group is our investment provider. Default contributions will be placed in the LifeTime Funds, which are based upon your assumed retirement age of 65

Your account works like this…

Deductions[1] are taken from your paycheck & deposited into your selection of investments in your 457 account. You are fully vested from day one.

For consolidation purposes, you may roll your previous government 457 plan into your Polk County 457 account at any time.



Pre-tax or Post-tax contributions from your employer are deposited into your selection of investments in your 401(a) match account. You are fully vested from day one.

Once separated from Polk County employment, you may….[2]
Leave your money in the Deferred Compensation Program, take payments, or roll[3] over to an IRA or other employer-sponsored plan

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[1] The total of all contributions made to this 457 plan and/or any other government employer's eligible 457 plan in 2025, must not exceed the IRS maximum limit of $23,500 ($31,000 for employees age 50 or older and $47,000 for 3-Year Catch-Up participants).

[2] You cannot receive payment from your 457 account while employed unless you qualify for a Loan, Hardship Withdrawal, or Service Credit Purchase.

[3] If you roll your 401a out of Polk County to an IRA or other qualified plan, an IRS 10% penalty may apply for taking payments from the plan prior to age 59 1/2.

Distributions While Employed

- **Service Credit Purchase –** If you qualify, you may request to move money from your 457 account to IPERS while working for Polk County. This is a non-taxable transfer. To find out if you qualify to purchase IPERS credit (or quarters) contact IPERS toll free at 800-622-3849 (281-0020 in Des Moines) or email them at info@ipers.org. If you would like to use your 457 money to make a service credit purchase, please complete the Principal Other Withdrawal request form and return it to us along with the IPERS Rollover/Direct Transfer Form (provided by IPERS).
- **Loans -** You will eligible to request loans from your account. Minimum loan amount is $1,000.00. You are eligible to receive the lesser of 50% of your 457 account or $50,000.
- **Hardship Withdrawal –** You must provide proof of financial hardship based on an unforeseeable emergency. Strict federal guidelines determine whether or not your request will be approved.