



THE UNIVERSITY OF MISSISSIPPI MEDICAL CENTER TAX DEFERRED RETIREMENT OPTIONS

All state employees are required to contribute 9.00% of their income to the Public Employees' Retirement System or the Optional Retirement Plan. Employees of The University of Mississippi Medical Center also have the option of setting aside additional tax-deferred funds in a voluntary Deferred Compensation Plan and/or a voluntary Tax Sheltered Annuity. The two supplemental retirement options available are explained below.

MISSISSIPPI DEFERRED COMPENSATION PLAN AND TRUST - 457 DEFERRED COMPENSATION PLAN (minimum \$25.00/month)

Deferred Compensation is an IRS 457 plan. Empower Financial administers the plan as an arm of the Public Employees' Retirement System. Through this plan, employees can contribute toward funds of their choice. Employees may choose from a variety of funds that range from more stable lower-risk funds to more volatile higher-risk funds.

Withdrawals from the Deferred Compensation Plan are not allowed prior to retirement unless one of the following occurs:

- separation from state employment
- death of the employee
- an unforeseen financial hardship

Qualifying events triggering an unforeseen hardship would be fire, storm, flood, or a catastrophic medical bill. Funds may **not** be withdrawn to help finance a child's college education. There is no additional tax penalty related to these early withdrawal situations; however, income taxes do apply and will be due for the year in which the withdrawal takes place.

The annual limit for elective deferral contributions to a 457 plan is \$18,500. This annual limit can be increased using one of two "Catch-up" provisions:

- Retirement Catch-up (3 Years Prior to NRA) provision, if an employee is within three years of normal retirement age, the maximum annual limit is doubled and creates a limit of \$37,000.
- 50+ Catch-up provision allows employees who are fifty (50) years old or older to make an additional contribution of \$6,000 to the normal limit (for a total of \$24,500).

Please note that an employee cannot use both "Catch-up" provisions during the same year.

If you would like more information regarding Deferred Compensation or would like to enroll, a representative from Great West Financial will be glad to assist you.

457 Deferred Compensation Plan Contact Information

Local: 111 East Capitol Street, Ste 260; Jackson, MS 39201

Local Representative: Shannon Anderson

Direct: (601) 355-0090 | **Fax:** (601) 355-0089 | **Mobile:** (601) 506-1792

Website: <https://mdcplan.gwrs.com/login.do>

403(b) TAX SHELTERED ANNUITIES (minimum \$25.00/month)

A Tax Sheltered Annuity (TSA) is an IRS 403(b) plan and is also referred to as a Tax Deferred Annuity (TDA). The 403(b) plans were initially designed to invest only in annuity contracts but over time have been modified to include options for investing in mutual funds and money market accounts. In spite of this, the term "Tax Sheltered Annuity" stuck and is now synonymous with any 403(b) plan. The Medical Center has five (5) approved vendors who sell a variety of TSA options from guaranteed funds to volatile stock funds.

Funds contributed to the 403(b) plan can only be withdrawn under the following circumstances:

- age 59 ½ or older
- death
- separation from service
- financial hardship
- disability

The limit for elective deferral contributions to a TSA is the same as the Deferred Compensation plan (\$18,500.00). The 403(b) plan allows for two "Catch-up" provisions:

- 15-Years-of-Service Catch-up contribution of \$3,000
- 50+ Catch-up of \$6,000

Both "Catch-up" provisions can be utilized in the same year.

If you are interested, an agent from one of the approved companies can further explain the investment options and assist you with the necessary paperwork to enroll.

Overview Chart	457	403(b)
Annual Deferrals	\$18,500	\$18,500
Retirement Catch-up (3 Years Prior to NRA)	\$18,500	N/A
15 Years of Service Catch-up	N/A	\$3,000
50+ Catch-up	\$6,000	\$6,000
Maximum Annual Deferral Amount	\$18,500 - \$37,000	\$18,500 - \$27,500

Notes:

- (1) The 457 plan only allows for one "Catch-up" provision to be utilized during a calendar year.
- (2) The "3 Years Prior to NRA Catch-up" maximum is limited by the amount of underutilized deferrals from prior years.
- (3) The 403(b) plan allows an employee to use both "Catch-up" provisions during the same calendar year.
- (4) Contribution limits for 457 & 403(b) plans are not reduced by contributions to other plans. Therefore, an employee can participate in both plans and contribute the maximum contribution to each plan during the same calendar year.

Disclaimer: Neither the University of Mississippi Medical Center nor its employees offers investment or tax advice. The information provided on this handout is general in nature, for the applicable laws and regulations are complex and subject to change. If you have any questions regarding this material, please contact one of the following approved financial advisors.

403(B) TAX SHELTERED ANNUITIES VENDOR CONTACT INFORMATION

FIDELITY INVESTMENTS

P O Box 770002; Cincinnati, OH 45250-5440 **Direct:** (800) 343-0860
Fidelity represented locally by Fee-Based Management Leinster Financial
Local: 2630 Ridgewood Road, Ste. F; Jackson, MS 39216

Jackson and Grenada area Representatives:

Jonathan M. Davis | **Email:** jonathan.davis@leinsterfinancial.com

Scott T. Marshall | **Email:** scott.marshall@leinsterfinancial.com

Brent L. Walker | **Email:** brent.walker@leinsterfinancial.com

Direct: 601-714-1692 | **Fax:** 877-656-0657

LINCOLN NATIONAL LIFE INSURANCE COMPANY

1300 South Clinton Street; PO Box 23401; Fort Wayne, IN 46801
Local: 675 Lakeland Dr. Riverhill Tower; Suite 500; Jackson, MS 39216

Jackson and Grenada area Representative: Kay Candelora

Direct: (601) 366-7500 | **Fax:** (601) 366-7512 | **Email:** kay.candelora@lfg.com

TIAA-CREF

730 Third Avenue; New York, NY 10017
Customer Service: 5 Concourse Parkway, Suite 2700; Atlanta, GA 30328 | **Direct:** (800) 842-2776

Jackson and Grenada area Representative: Richella Vincent Lee

Mobile: (770) 512-3570 | **Email:** richella.vincentlee@tiaa-cref.org

VALIC - VARIABLE ANNUITY LIFE INSURANCE COMPANY

2929 Allen Parkway; Houston, TX 77019 | **Direct:** 1-800-448-2542
Local: 625 Highland Colony Pkwy, Ste 201; Ridgeland, MS 39157
Direct: (601) 605-3590 | **Fax:** (601) 856-9876

Jackson area Representatives:

Bill Edwards | **Mobile:** (601) 874-0505 | **Email:** william.edwards@valic.com

Ryan Swindell | **Mobile:** (601) 940-6604 | **Email:** ryan.swindell@valic.com

Matt Newman | **Mobile:** (601) 850-4908 | **Email:** matthew.newman@valic.com

Larry Taylor | **Mobile:** (601) 259-1553 | **Email:** lawrence.taylor@valic.com

Grenada area Representative:

Stirling Pittman | **Mobile:** (662) 816-8606 | **Email:** stirling.pittman@valic.com

VOYA LIFE ASSURANCE AND ANNUITY (VOYA)

One Orange Way; Windsor, Ct. 06095-4774 | **Direct:** 1-866-219-1496
Local: 1013 N. Flowood Dr; Flowood, MS 39232

Jackson area Representative: Jeff Hicks

Mobile: (601) 209-5431 | **Fax:** (601) 932-0237 | **Email:** jeff.hicks@voyafa.com

Grenada area Representative:

Doug Atkinson | **Mobile:** (662) 832-0082 | **Email:** datkinson@tfamail.com

Mark Atkinson | **Mobile:** (662) 801-3181 | **Email:** matkinson@tfamail.com