Multnomah County (County; the County)
Deferred Compensation (DC)
Voya Financial (Voya)

GENERAL INFORMATION

PROVIDER ~

Voya Financial

Oregon Statutes ORS 294.033 and 294.035 require local government to only offer deferred comp accounts through an annuity contract or a credit union. Therefore, the County cannot invest monies directly in stocks or mutual funds they must be invested by an insurance company.

The County has contracted with one Voya Financial (Voya). Limiting the number of providers results in a higher total account value and allows the County to negotiate lower fees and a better variety of services.

There are many investment options including:

- fixed, low risk accounts
- bonds
- socially responsible, global and domestic funds

ENROLL ~

You can enroll in deferred comp any time.

FEES ~

- The County does not charge employees a fee to participate in DC. The Board of County Commissioners directed the County to operate the Plan at no additional cost to taxpayers. Administrative costs are paid by plan participants at the rate of .13% assessed quarterly and reflected on participant plan statements.
- There is no fee for moving your money to different funds or for transferring funds from one investment provider to another.
- Voya does charge a fund management fee which pays for the fund managers to actively monitor your investment options.
- The Manages by MorningStar option has an annual fee of .50%. There are specific investment option expenses and MorningStar ratings.

OWNERSHIP ~

The Deferred Compensation Committee will contract with Approved Institutions to make available Investment Products in which participants may invest their money.

All Deferred Compensation under the County's Plan, all property and rights which may be purchased with such amounts and all income attributable to such amounts, property or rights shall be held in trust (or a custodial account or annuity contract described in Code Section 401(f) page 1056) for exclusive benefit of participants. All such amounts deferred shall not be considered to be assets of the County nor subject to the claims of the County's general creditors

The County Deferred Compensation Plan Article 3, 3.05 (a) and (b), requires the County comply with Federal Rev. Rul.2004-67 HOLDING section, #3, stating funds shall not be used "other than for the exclusive benefit of the employees".

FINANCIAL & RETIREMENT PLANNING ~

Our providers both provide free Financial and Retirement planning for County employees. Contact Voya directly to meet with a Financial Advisor. They can review your needs and establish a personal financial plan for you.

It is recommended you meet with your Financial Advisor each year. The County lets you to attend one of these meetings once a year, on County time. Additional meetings would be on the employees own time.

INVESTMENT OPTIONS ~

The Deferred Compensation Committee contracts with Approved Institutions to make available Investment Products in which participants may invest their money.

To make changes to where your money is invested log on to your Voya account or call their Customer Service Center. There are no fees for changing your investment elections, but there is a limit on how often you can do this. Voya has adopted an excessive trading policy in order to be in compliance with Section 22c-2 of the Investment Company Act of 1940.

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- fixed, low risk accounts
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SELF-DIRECTED BROKERAGE ACCOUNT (SDBA) OVERVIEW ~

Self-Directed Brokerage Accounts (SDBA) are not monitored by the Deferred Compensation Committee. Participants who invest in SDBA are responsible for the selection, management and control of the investments. To enroll in a SDBA, in addition to completing an Account Agreement Form (Application), you must sign an Acknowledgement and Release form. A $50 annual fee paid by participant will apply to all self-directed accounts.

1) To open a TD Ameritrade SDBA, you must have a balance of at least $5,000 in your core investment options. Participants may transfer up to 50% of their core account balance to the Self-Directed Brokerage Account (SDBA) from one money source as selected by the County.

2) The minimum transfer amount is $2,500 and you must maintain a minimum core account balance of $2,500. This minimum core account balance will be monitored each time you request a transfer. Please contact Customer Service at (800) 584-6001 for more details.

3) If you choose to open a TD Ameritrade SDBA, you will be charged a $50 fee, annually on November 1st or the next business day the New York Stock Exchange (NYSE) is open, irrespective of when the account was opened

4) When you elect to open a TD Ameritrade SDBA, you assume the sole responsibility for researching, selecting, monitoring and managing the investments in your TD Ameritrade SDBA.

5) Your investments in the TD Ameritrade SDBA are made through transfers from your core account. Your payroll contributions cannot be directed to TD Ameritrade – they must continue to be directed to one or more of the Plan's core investment options.

6) Getting started to open an SDBA:

Logon to your core product account at www.voyaretirementplans.com and select Forms to access the TD Ameritrade Commission Schedule and Participant Guide. Please contact TD Ameritrade Participant Services at 866-766-4015 to request an application to open a TD Ameritrade SDBA.

EDUCATIONAL OPPORTUNITIES ~

The County provides free educational classes. Examples of seminars are:

- Basic Budgeting
- Retirement Readiness
- Understanding your Deferred Compensation Options
- Women and Investing
- PERS overview
- Long-Term Care Insurance

Participants may bring household members with them (depending on classroom size) at no charge. Classes can also be scheduled at different times and locations, if needed, by contacting Voya directly and scheduling.

WITHDRAWALS ~

The money you put into your DC account is intended to be used at retirement. You cannot borrow from your DC account.

You can withdraw your money when you are no longer working for the County. The County's plan is a 457 plan so there are no "early withdrawal penalties".

There are two very limited circumstances that allow participants to withdraw from their DC account.

- Hardship withdrawals are allowed but the circumstances must comply with very strict IRS guidelines.
- Withdrawals if all of these conditions are met:

- The amount of benefits at the time of withdrawal does not exceed the maximum allowed by the Code for de minimis withdrawals (currently no more than $5,000);
- The participant has made no contributions to the Plan for the two year period prior to withdrawal; and
- There have been no prior withdrawals under this option.
- You may re-enroll in the Plan after a period of 12 months from the date of such withdrawal.

ROLLOVERS ~
After you are no longer employed with the County you can rollover your DC account to another retirement account or into an Individual Retirement Account (IRA). The County highly recommends you review some very important questions before doing so.

You can rollover other retirement accounts into the County's DC Plan. The County highly recommends you review some very important questions before doing so.

LIFE EVENTS ~
Following are Life Changing events that can affect you DC account.

- Qualified Domestic Relations Order (QDRO) a court judgment, decree, or order that assigns the right to receive all or a portion of your DC account to a spouse, former spouse, child or other dependent of the participant. A certified copy of the document when received by the County will be processed and forwarded to your Provider so they can comply with the QDRO requirements.
- Marriage, divorce, birth or death are some events that may change who you want as your beneficiary. To change your beneficiary:
  - Voya participants log into your account or call the Customer Service Center.

MAKE CHANGES ~
Beneficiaries - Marriage, divorce, birth or death are some events that may change who you want as your beneficiary.

- Voya participants log into your account or call the Customer Service Center.

Contribution amount –

- Voya participants log into your account or call the Customer Service Center.

CATCH-UP ~
Catch-up is a program that allows extra contributions to your DC account based on your age and retirement year. There are two types:

- 50+ > Available starting the year you turn 50.
- Regular > Allowed the last three years before you reach your PERS Normal Retirement Age (NRA) for Tier One/Two or OPSRP.
- Only one can be used at a time so the one that allows you the most contribution is used.

Catch Up Form Catch-Up PDF (75.74 KB)
Catch-Up Questions?

MISC - TAX CREDIT ~

You can get a Credit for Qualified Retirement Savings Contributions if you meet certain income level requirements. See IRS Form 8880 to see if you qualify.

Other questions:

If I participate in the deferred compensation program, will it affect current contributions to Social Security or PERS?

Under current regulations, deferred compensation will not affect the level of Social Security taxes or PERS contributions. These are calculated on your gross earnings before any deferral of income. The only two items affected by deferring income are the withholdings for state and federal income taxes.