**City of Spokane**

**2021 Police Guild Retroactive Payment**

**457 Contributions FAQ**

**When will the retro payment be made?**

The retro payment will be included in your regular paycheck on May 7th, 2021, for the pay period ending. May 1st, 2021.

**Can I make a one-time contribution to my 457 plan for the retro payment?**

Yes. You can make a one-time contribution election for the paycheck on May 7th. The contribution rate you elect will apply to the **ENTIRE** paycheck, not just the retro payment.

**How do I change my 457 contribution for the May 7th payment only?**

Complete the attached form and submit it to the retirement department by April 28th.

Email: retirement@spokanecity.org

Interoffice mail: Donald Brown, Retirement Department



**How do I change my 457 contribution for the rest of the year?**

You can make changes to your 457 contribution rate in [PeopleSoft](https://cosdmzhcmweb.spokanecity.org/ps/signon.html) using Employee Self Service.

For the changes to apply to the retro payment, updates must be done before April 30th.

For the changes to apply after the retro payment, updates must be done after May 1st.



**What are the IRS limits on how much tax-deferred contributions I can contribute to my 457 account?**

The IRS’ Normal Deferral limit for 2021 is $19,500. Once your annual contribution limit is reached, no additional 457 contributions can be made until 2022. If you reach your annual contribution limit before the end of the year, the City’s matching contributions will also stop until 2022.

Some people may be eligible for, or have elected, one of the following additional catch up contribution limits:

* $6,500 Age 50 Catch Up Contribution – Can participate if currently age 50 or will turn age 50 in current calendar year. ($26,000 total annual maximum)
* $19,500 Special Catch Up Contribution – Must have already elected retirement age and determined eligible to make unused contributions from prior years. Contributions must be made during final 3 consecutive years prior to retirement. ($39,000 total annual maximum)

**Are there any other limits on 457 contributions?**

The maximum contribution rate for the May 7th check is 70%. This ensures there is enough pre-tax earnings to pay for all of the regular payroll deductions since the contribution rate is applied to the entire paycheck.

**I’m not sure how much to contribute or how I want to invest the funds. Can someone help with that?**

Mark Miller is the City’s ICMA-RC representative. He can help calculate contribution amounts for the May 7th retro payment and the rest of the year. He can also assist with selecting the investment options for your 457 plan.

**Mark Miller**

**Retirement Plans Specialist**

**509-443-7087 or Toll Free 1-866-749-5172**

**MMiller@icmarc.org**

**I still have questions. Is there someone I can contact?**

Please contact the Retirement Department for any additional questions.

Email: retirement@spokanecity.org

Phone: 509-625-6330