



City of Carlsbad

Frequently Asked Questions

What is an APPLE plan?

APPLE stands for Accumulation Program for Part-time and Limited Service Employees. This plan is offered as an alternative to Social Security and provides retirement and payroll benefits to part-time, seasonal, and temporary employees.

MidAmerica Administrative & Retirement Solutions (MidAmerica) is the plan administrator of the APPLE plan.

Who is required to participate in the plan?

If you are a part-time, temporary or seasonal employee not participating in a state retirement plan, you are required to participate in the plan.

What type of plan do I have?

Your plan is a 457(b) Deferred Compensation Plan.

How are contributions made to my account?

You will have a 3.75% contribution automatically deducted from your paycheck. Your employer will also contribute 3.75% to your account per pay period.

When do I become eligible to take a distribution?

You are able to request a distribution if:

- You no longer work for your employer
- You went from being a part-time employee to a full-time employee
 - You have a balance less than \$5,000 and have had no contributions to your account for two years
- You meet the required eligibility age. To view current age eligibility requirements, visit www.myMidAmerica.com/3121resources.

Am I able to take a distribution if I am still actively working?

Yes. Your plan permits in-service distributions once you meet the required eligibility age. To view current age eligibility requirements, visit www.myMidAmerica.com/3121resources.

Am I required to take a distribution?

Once you've met certain age requirements, you are mandated by the Internal Revenue Service (IRS) to receive Required Minimum Distributions (RMDs). The following RMD age requirements are based on legislative changes that went into effect on January 1, 2020:

- If you were born on or before June 30, 1949, you must take your first RMD by April 1 of the year following (a) attainment of age 70½ or (b) retirement, whichever is later, and by December 31 each year thereafter.
- If you were born after June 30, 1949, you must take your first RMD by April 1 of the year following (a) attainment of age 72 or (b) retirement, whichever is later, and by December 31 each year thereafter.

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. As part of MidAmerica's service to you, we will send you a communication noting the amount of your RMD beginning in the year you reach the age requirement.

How do I request a distribution?

You can request a distribution by completing a Request for Settlement of Account Form, which can be obtained by logging into your account on our secure website, 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 can also obtain the form by calling or emailing our Customer Service department at (800) 634-1178 or accountservices@myMidAmerica.com.

When will I receive my distribution?

Distributions are issued weekly. We must obtain authorization from your employer before we pay a distribution. It can take 15-20 business days to process your request and issue your distribution.

Are there taxes on distributions?

Federal taxes of 20% are withheld from lump-sum distributions over \$200. An additional 10% of the federal withholding is withheld for state taxes. There is no penalty for withdrawal regardless of age and taxes are not withheld from rollover distributions.

Are hardship withdrawals allowed on the plan?

Hardship withdrawals are not permitted on the plan.

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.

How often will I receive account statements?

You will receive 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. 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 username and password.

Are there any fees?

There are no fees associated with your plan

Does this plan affect my Social Security benefits?

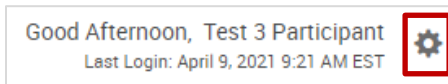
Under the Windfall Elimination Provision, your Social Security retirement or disability benefit is figured using a modified formula when you are also entitled to a pension from a job where you did not pay Social Security tax. As a result, you will receive a lower Social Security benefit than if you were not entitled to a pension from this job. This amount is updated annually. This provision reduces, but does not totally eliminate, your Social Security benefit. For additional information, please refer to Social Security Publication, "Windfall Elimination Provision" located here: <https://www.ssa.gov/planners/retire/wep.html>.

How can I view my account balance and transaction history?

Please log into your secure online account through www.myMidAmerica.com. Your initial username is your Social Security Number (SSN) and your initial password is the last four digits of your Social Security number.

Can I name a beneficiary?

Yes. You may designate a beneficiary online by logging into your account on our secure website, www.myMidAmerica.com. From the landing page, select the Settings icon, which is a small gear icon located in the upper right-hand corner of the screen. See image below as a reference:



Next, select **Beneficiaries**. From here, you are able to enter your beneficiary information. If you prefer to mail or fax your designation to us, you can download our Beneficiary Designation Form by logging into your account and selecting **Forms & Reports** from the blue header, then **Forms**.

You can also obtain the form by calling or emailing our Participant Services department at (855) 329-0097 or accountservices@myMidAmerica.com.

Please note if you have multiple plans with MidAmerica, you will first need to select the plan for which you wish to make a designation. Beneficiary designations do not automatically apply to all of the benefits you have with MidAmerica—you should ensure you designate a beneficiary for each plan that allows it.

Questions?

If you have questions regarding your plan, please contact MidAmerica Administrative & Retirement Solutions (MidAmerica), the plan administrator, at (800) 634-1178 or email us at accountservices@myMidAmerica.com.

If submitting paper forms, send to:

MidAmerica Administrative & Retirement Solutions
Attn: APPLE Admin
PO Box 149
Lakeland, Florida 33802-0149
Fax: (863) 688-4200

For investment or plan information related questions, please contact your Keenan & Associates Representative at 800-444-9995.

