

Printed Name: _____
Department Name: _____
Employee Number: _____

2021 FSA BENEFIT ELECTION FORM
2021 Flexible Spending Accounts
January 1, 2021 through December 31, 2021

To enroll in the 2021 Flexible Spending Account(s), complete Option 1 on this form and **RETURN IT TO FINANCE during your first two weeks of employment.**

_____ I choose to participate in the 2021 Pre-Tax Payment Plan for the Flexible Spending Accounts. This plan
OPTION 1 allows me to reduce my salary by the amount of my eligible expenses, thereby reducing the amount of Federal, State, and Social Security (FICA) taxes I pay.

SALARY REDUCTION AGREEMENT

Medical/Dental Flexible Spending Account: \$ _____ X _____ Pay Periods = \$ _____
(Cannot exceed \$2,750.00 per year)

Dependent Care Flexible Spending Account: \$ _____ X _____ Pay Periods = \$ _____
(Cannot exceed \$5,000 per year. If Married and file separate returns, cannot Exceed \$2,500)

TOTAL ANNUAL SALARY REDUCTION = \$ _____

I understand that:

- The only way the Salary Reduction Agreement may be changed during the Plan Year is if I have a change in family status, which the IRS defines as: marriage, divorce, legal separation, birth/adoption/legal custody of a dependent child, death of a spouse or dependent child, loss of dependent status, termination or commencement of a spouse's employment, change from part-time to full-time status (or vice versa) by the employee or the employee's spouse, or unpaid leave of absence taken by the employee or employee's spouse, PROVIDED I NOTIFY THE DEPARTMENT OF FINANCE OF MY CHANGE IN FAMILY STATUS WITHIN 31 DAYS OF THE CHANGE;
- I may file for reimbursement for only those expenditures which are eligible, proof of eligibility is required, and all expenses must be for services provided from January 1, 2021 or my hire date (whichever is later), through December 31, 2021
- I have until March 15, 2022 to file a claim for services provided during the 2021 calendar year, and any funds remaining in the account as of April 1, 2022 are forfeited in accordance with the IRS regulations authorizing this plan;
- Calculations for Group Retirement, Group Life Insurance, and pay increases will be on gross salary rather than the reduced salary; and
- Calculations for the City of Hampton Deferred Compensation Plan and Social Security (FICA) will be on the reduced salary rather than the gross salary (therefore my future Social Security benefits may be affected by this choice since I will be paying less Social Security taxes).

_____ I choose not to enroll in the City of Hampton's Reimbursement Accounts at this time. I understand that
OPTION 2 this is my only opportunity to enroll for 2021 but I will have the opportunity to enroll in future years.

Employee's Signature

Date Signed