

UNIVERSAL AVAILABILITY NOTICE

Turner Unified School District #202

IT'S NEVER TOO EARLY
TO THINK ABOUT
RETIREMENT
PLANNING



You have the opportunity to participate in the 403(b) retirement plan provided by the Turner Unified School District. Contributing to a 403(b) plan will help to give you peace of mind through financial security during your retirement. A 403(b) plan will allow you to contribute a portion of your compensation as a pre-tax contribution in order to save toward your retirement. Participation in the 403(b) plan is completely voluntary. If you are already contributing to the 403(b) plan, now is a perfect time to increase your contribution.

What is a 403(b) Plan?

A 403(b) plan, also known as a Tax-Sheltered Annuity (TSA), is a tax-deferred retirement plan provided for employees of certain tax-exempt, governmental organizations or public education institutions.

What are the benefits of contributing to a 403(b) Plan?

The contributions you make are on a pre-tax basis. This means that the money used to invest in the 403(b) plan is not taxed until the funds are withdrawn, usually after you retire.

Taking The Initiative

Contributing to a 403(b) retirement plan can help you take control of your future retirement needs. Other sources of retirement income, pension plans, and if applicable, Social Security, often do not adequately replace a person's salary upon retirement. A 403(b) plan can be a great way to provide you with additional income at retirement.

How Can I Participate?

Prior to contribution you must open an account with an investment provider participating in the plan. A list of approved vendors and the Salary Reduction Agreement ("SRA") can be found by visiting Baybridge Administrators on their website: <http://bbadmin.com/retirement> Select "Employees: from the right menu. Select your state. The select your employer to view the list of participating providers. Once you have chosen an approved provider you will need to open your 403(b) account directly with them to start saving.

How Much Can You Contribute Annually To A 403(b) plan?

The maximum allowable contribution a person can contribute each year is set by the IRS. For the year 2025 that limit is \$23,500. Employees who are age 50 or over at the end of the calendar year can also make a *catch up contribution* of \$7,500 beyond the basic limit on elective deferrals.

What If I Already Have An Account?

If you are already contributing to the Plan, now is a perfect time to increase your contributions. Simply complete and submit a new SRA.

Can I Change Or Stop My Elective Deferral Contributions?

You may change your elective deferral contributions annually during the plan year. You are permitted to revoke your election at any time during the plan year. Please contact Celina U in the Business Service office for further instructions.

When Can I Take a Distribution From This Plan?

You may request a distribution when you retire, terminate your employment with your employer, or become disabled. If you do not request a distribution, IRS requires you to start taking withdrawals from your plan account when you reach age 72 (73 if you reach age 72 after December 31, 2022).

Disclosure to employees: The District has no liability for any employee's election to participate in the 403(b) plan, choice of 403(b) vendors(s), or expected tax consequences resulting from participating in the 403(b) plan. The District does not provide tax, legal or investment advice and recommends that employees seek advice from professionals who specialize in these areas.