



Carter County Schools

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WWW.CARTERCOUNTYSCHOOLS.ORG

403(b) Plan Eligibility Announcement to All Employees

To: Eligible Employees

Date 10/20/2022

Re: Notice of your right to participate in the 403 (b) Retirement Plan sponsored by Carter County Board of Education

In compliance with Internal Revenue Service (IRS) Universal Availability requirements, we are pleased to offer eligible employees the opportunity to voluntarily save for retirement by participating in a 403(b) Plan (“the Plan”). All full time employees are eligible to participate in the Plan.

If eligible, you may participate in the Plan by establishing a 403(b) account with American Fidelity and then completing a salary reduction agreement to make pre-tax contributions or Roth 403(b) account for after tax contributions. A salary reduction agreement can be obtained from AFPlanServ at www.afplanserv.com.

Generally, salary reduction contributions can be in an amount up to the lesser of 100% of includable compensation or the annual limitations set up by the IRS. For the 2022 tax year, the annual contribution limit is \$19,500 with a catch up contribution of up to \$6,500 for employees that are age 50 or older. If you have completed 15 years or more of service with Carter County School District you may qualify for an additional catch-up contribution of up to \$3,000. To determine the amount of additional catch-up, a Maximum Allowable Contribution (MAC) worksheet must be completed with your sales agent and returned to the payroll department along with a completed salary reduction agreement for approval.

Please be aware that if you participate in more than one 403(b) plan or another qualified plan such as a 401(k), you will be responsible for tracking and reporting the amount of your total contributions to the school district so you do not exceed the annual contribution limitation permitted by the IRS.

By electing to participate in the Plan you are acknowledging and agreeing to abide by the Plan’s rules and all IRS regulations related to 403(b) Plans. To learn more about the 403(b) Plan, including, but not limited to, (1) exclusions to participation and (2) Plan distribution/transfer/rollover rules and (3) a list of the Plan approved Investment Providers, please contact our central office or the website of our administrative services provider, AFPlanServ, at www.afplanserv.com, by calling 866-560-6415 or by sending an email to WG-Annuity-AF-PlanServ@americanfidelity.com.