

Mesquite ISD

403(b) UNIVERSAL AVAILABILITY NOTICE

January 22, 2025

To: Mesquite ISD Employees

From: Mesquite ISD – Benefits Office

Mesquite ISD offers a 403(b) Plan to all employees.

A 403(b) plan is a tax-deferred retirement program that permits an employee to reduce his or her compensation on a pre-tax and/or after-tax (Roth) basis and have the contribution deposited into a 403(b) account that the employee sets up with a 403(b) vendor. Amounts deposited into a 403(b) account and any earnings on those contributions are generally not taxed until the employee makes a withdrawal from his or her 403(b)-account following separation from service with the district unless contributions are made on an after-tax basis.

The district maintains a list of approved 403(b) vendors and appropriate contact information for each vendor. A copy of this list may be obtained from National Plan Administrators online at www.natlplan.com, or by calling 800-880-2776. Employees should contact each vendor for information about the 403(b) products and services it offers.

To enroll in the 403(b) plan, an employee must complete a salary reduction agreement (SRA) and the vendor's application. The SRA will only apply to amounts earned after enrolling in the plan. This contribution will continue unless it is modified or revoked in the future. Employees may obtain the necessary enrollment forms by contacting the appropriate vendor found on the approved 403(b) vendors list. Additional information on District policies and other 403(b) plan rules can be obtained with the enrollment materials, found online at www.natlplan.com, or by contacting National Plan Administrators at 800-880-2776.

Annual Contributions to the 403(b) plan are limited per IRS regulations. Below are the limits for the 2025 calendar year.

| Year 2025 | Elective Contribution Max | Catch-Up Contribution | Total Limit |
|--------------------|---------------------------|-----------------------|-------------|
| Ages 50-59 and 64+ | \$23,500 | \$7,500 | \$31,000 |
| Ages 60-63 | \$23,500 | \$11,250 | \$34,750 |
| Under age 50 | \$23,500 | - | \$23,500 |

Disclosure to employees: The District has no liability for any employee's election to participate in the 403(b) plan, choice of 403(b) vendor(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.

Sincerely,

The Benefits Department