School District of Holmen 403(b)
Plan
Summary Plan Description

The Plan

The School District of Holmen (the "District") offers a §403(b) Plan to assist employees with their retirement savings. The District's §403(b) Plan is a tax-deferred retirement savings program, which allows employees to make voluntary salary deferral contributions to the Plan. The decision to participate in the District's §403(b) Plan is entirely up to you.

Although the Plan is offered by the District, the Plan is not established or maintained by the District for purposes of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Accordingly, the Plan and the District are not subject to ERISA.

The District intends for the §403(b) Plan to qualify for preferential tax treatment under Internal Revenue Code ("IRC") §403(b). There are two ways you can elect to have a portion of your current pay saved and invested via salary deferral. You may contribute pre-tax §403(b) deferrals and/or Roth after-tax §403(b) deferrals.

Pre-Tax Deferrals. You do not have to pay taxes on the amount you elect to contribute to the District's §403(b) plan in year the contribution is made to the plan. Contributions to the §403(b) Plan are reported annually on your W-2 forms, but are not included in income subject to taxation. Your §403(b) contributions are deducted from your gross salary and income taxes are calculated on your remaining pay**.** The earnings on your account grow tax-free until withdrawal. Income tax on your §403(b) plan contributions are deferred until you begin making withdrawals from your account—typically when you retire.

Roth After-Tax Deferrals. With Roth deferrals, you must pay current income tax on your deferral contribution. This means that the amount you defer under the Roth portion of the §403(b) Plan is subject to income taxes in the year of the deferral, but the deferral amount and its earnings are distributed to you tax-free, if you follow the distribution rules of the Plan and at least 5 years have passed between your first Roth deferral and the date of your first distribution.

Participation

Every District employee is eligible to participate in the Plan, with the exception of (a) non-resident aliens or (b) those who do not have sufficient income to be eligible to contribute at least $200 per year. To participate, you need to: (1) fill out a Salary Deferral Agreement and (2) select one of the Approved Vendors listed in Appendix A of the District's 403(b) plan. You may make or change elections as often as you wish, which will be effective on the date of the Agreement or as soon as administratively feasible. You may also cease contributions at any time.

Salary Deferral Agreements

To participate in the Plan (or to change an existing contribution election), you must provide the District with a signed Salary Deferral Agreement. Employees must contribute a set dollar amount per pay period rather than a %. The Agreement must be signed by you and returned to the District before the start of the payroll period when your election or change will become effective.

Vendors

You can invest your deferral monies in a variety of investment options offered by the District's Approved Vendors (listed on Appendix A of the District's 403(b) Plan). The Approved Vendor List is available from the District Office or through the District's website. The District reserves the right to add or remove Approved Vendors. **Transfers between Approved and Unapproved Vendors will not be allowed.**

Contributions and Limitations

While you may choose how much of your salary you wish to contribute to the Plan, your contribution must comply with all of the following legal limitations:

1. **Annual Deferral Limitation.**

The first limitation applies to all of your elective deferrals from your salary to this Plan. Elective deferrals are contributions that you make instead of receiving all of your pay at that time.

For the 2026 tax year, all of your election deferrals to this and all other plans (including SIMPLE plans, 401k plans and other §403b plans) cannot exceed $24,500 per calendar year. (unless you qualify for the catch-up contribution described below). This limit will be adjusted annually thereafter by the IRS.

2. **"50 and over" Catch-up Contribution.**

A participant who will be age 50 or over, by the end of the calendar plan year, may defer an additional $8,000. So, for example, the total deferral contribution limitation for 2026 for an employee over 50 is $32,500.

If you are between the ages of 60 – 63 as of the end of the calendar year, you may be able to defer an additional amount, increasing your catch-up limit to the "enhanced catch-up limit" of up to $11,250 (for 2026).

New in 2026, if your 2025 W-2 wages exceeded $150,000 with your current employer, any catch-up contributions you make to a 403(b) must be made on a Roth basis (for 2026).

As described above, there are legal restrictions that limit how much you can contribute to the Plan each year. The District needs additional information from you to verify your contributions are within these limits. You should consult with your own investment, tax and/or legal advisor about the ability to participate in the Plan. The District cannot provide you with this type of advice.

Distributions

The federal law restricts when distributions are permitted from your accounts. You or your beneficiary may receive a distribution upon your death, disability or upon retirement from the District. The IRS requires complete severance from the District upon retirement, which means that if you are rehired by the District after you have retired, you must stop receiving distributions from your account during the time you are employed by the District after retirement.

Distributions are also permitted from the Plan upon: severance from employment with the District or attainment of age 59 ½.

Loans

The Plan does not permit loans to be taken from your account.

For More Information Contact The District Office:

Amie Koxlien, Benefits Specialist
School District of Holmen
Holmen, WI 54636
(608) 526-1305

Additional forms are available on our website under Departments/Business Office/Retirement and Post Employment/TSA-403b (Tax Sheltered Annuities)

The information in this material summarizes the terms of the District's 403(b) Plan and the Internal Revenue Code as of 01/01/2026, and is not to be constructed as legal, tax or investment advice. This information cannot, and does not, alter the terms of the Plan or applicable law. Changes in the applicable law or the Plan document may change this summary. Please consult with your accountant for additional information.