

Aurora Public Schools Tax-Sheltered Annuity Plan

Universal Availability Notice

The Joint District No. 28-J of the Counties of Adams and Arapahoe dba Aurora Public Schools (the "District") provides you with the opportunity to save for your retirement through the Tax-Sheltered Annuity Plan (the "Plan"). Whether you want to enroll in the Plan, or you are already enrolled but wish to change the amount of your Salary Deferral contribution, you can accomplish your goal by going to the Human Resources' website at <https://hr.aurorak12.org/benefits/retirement/>. The 403(b) section of the Retirement Plans page includes links you can click on which provide information on the Plan as well as enrollment/change information.

Eligibility

All District employees are eligible to participate in the Plan. You may make or modify your election online through the 403(b) vendor website provided. All changes must be received by Human Resources from the 403(b) vendor prior to the fifteenth of the month in order to be effective in the following month.

Salary Deferral Contribution Limits

You may make Salary Deferral contributions up to \$19,500 in 2021 and \$20,500 in 2022 (unless limited under the Plan). This annual Salary Deferral contribution limit is subject to change each year. In addition, this limit may be increased by: (i) a special "catch-up" contribution of up to \$3,000 for employees who have completed 15 years of service with the District, and/or (ii) an additional \$6,500 in each of 2021 and 2022 for employees age 50 or older. If you are eligible for both an age 50 catch-up and a special 15-year catch-up contribution, please see the other Plan information materials on the Human Resources' website or contact Human Resources for more information on your contribution limits. You only get one Salary Deferral contribution limit for contributions to all 403(b) and 401(k) plans. So, if you are also a participant in the PERA 401(k) Plan or in a 403(b) or 401(k) plan of another employer, your combined contributions to that plan and to the District's 403(b) Plan are generally limited to \$19,500 in 2021 and \$20,500 in 2022 (not including any catch-up contribution). If you do participate in more than one retirement plan, you are responsible for tracking and reporting the amount of all of your contributions to the plans so that the total amount of all your contributions to all plans in which you participate do not exceed the limit.

In addition to the individual Salary Deferral contribution and catch-up contribution limits, there are generally separate limits for the total contributions made (including employee and employer contributions, but not including catch-up contributions) to (i) a 403(b) plan, and (ii) a qualified defined contribution retirement plan, such as the PERA 401(k) Plan. Special rules may apply if you control a business which sponsors a retirement plan(s) on your behalf. Please consult your tax adviser. Also, please see the other Plan information materials on the Human Resources' website or contact Human Resources for more information.

Tax Advantages

If you elect to make Salary Deferral contributions to the Plan, you may make these contributions on a pre-tax basis or on an after-tax basis (also referred to as Roth contributions).

- **Pre-tax contributions** – Salary Deferral contributions made on a pre-tax basis (and any earnings on those amounts) generally will not be subject to income taxes until the amounts are distributed from the Plan. Upon distribution, such amounts are taxed as ordinary income.
- **Roth contributions** – You may elect to make Salary Deferral contributions on an after-tax basis (i.e., such contributions are subject to income tax at the time contributed to the Plan) as Roth contributions. Such contributions (and earnings) will not be subject to income taxes when distributed from the Plan, if certain conditions are satisfied. Generally, the conditions are that at least five (5) years have passed since you began to make Roth contributions and the distribution is a "qualified distribution". For this purpose, a qualified distribution is a distribution made due to your attainment of age 59½, death, or disability.

For further details, or if you have questions, please contact Human Resources at 303-365-5823, or on the website at <https://hr.aurorak12.org/benefits/retirement/>.