



To: Mounds View Public Schools Employees

From: Payroll Department

Re: Supplemental Retirement Plans

Saving money for retirement is something most people find to be a challenge. Most financial experts believe that as time goes on, people will not be able to rely solely on social security dollars for a comfortable retirement. Most also believe that most people should seriously consider a supplemental retirement plan to provide for income in the retirement years.

All District employees have two supplemental retirement plans available to them. The purpose of these supplemental retirement plans is to encourage individuals to save through systematic investment for retirement years. This is done through automatic pre-tax payroll deductions. The money you contribute and any interest earned in a supplemental retirement plan is not taxable as earned income until it is withdrawn.

In addition, some employees are eligible for a District match for money contributed to the 403(b) supplemental retirement plan. For every dollar the employee contributes to the plan, the District contributes a dollar up to a maximum amount determined by collective bargaining agreements or District policies. Eligibility and other provisions are also governed by these documents, and are currently available to newly hired and some current teachers, all current principals and all current non-affiliated employees.

The District's Employee Guide provides additional information about supplemental retirement plans. Whether you sign up for the District match or contributions on your own, the steps to begin participation in one or both of these plans are as follows:

- Determine which of the plans best suits your retirement needs – a 403(b) tax-deferred annuity plan or 457 deferred compensation plan. A comparison sheet is attached.
- Contact the company or companies to open an investment account and complete vendor(s) forms as necessary. A list of vendors including contact information is attached.
- Complete a Mounds View salary reduction form and send it to the Payroll Department at the Snail Lake Education Center. The form is available under the benefits section of the Employment Link at www.moundsvIEWSchools.org.
- Any changes to your supplemental retirement plan, including changes to the District match, must be made in writing using the salary reduction form. **(This includes the election to begin the district match as well.)**

If you have questions about the investment funds, you may contact a representative from one of the companies on the vendor list. Payroll staff will be able to explain the steps to opening an account, but are not able to provide financial or tax planning advice. For additional information, please contact our Payroll Department. For employees who's last name begins with (A-G) 651-621-6031 or (H-N) 651-621-6033 or (O-Z) 651-621-6032.