

# SchoolsFirst Plan Administration

## Overview

The 403(b) is a Tax-Sheltered Account (TSA) developed by the IRS to allow you to save pre-tax dollars for retirement to supplement your CalSTRS/CalPERS pension plan. On average your pension replaces 50-65% of income in retirement.<sup>1,2</sup> Currently, studies show that at a minimum, approximately 80% income replacement is necessary to maintain the same standard of living in retirement.<sup>3</sup> The 403(b) offers school employees a way to bridge that gap while saving for retirement.

## Taxes

Contributions are made to a 403(b) before taxes are taken from your paycheck, reducing your taxable income. Taxes are paid on withdrawals, typically in retirement when you will likely be in a lower tax bracket.

## Withdrawals

You may begin to take withdrawals from a 403(b) at age 59½. Penalties may apply to withdrawals taken before this time.

## Loans

A loan may be taken against a 403(b) funds while you are still employed. Repayment terms and interest rates are determined by your plan's administrator, SchoolsFirst Plan Administration.

## Contribution Limits

In 20, you may contribute up to \$19,500 to a 403(b).

## Catch-up Contributions

It is possible to contribute up to \$9,000 more than the maximum if you meet the following requirements:

- Age 50+ in 2019 = an additional \$6,000
- With employer 15+ years = an additional \$3,000

## The Pre-Tax Savings Advantage

Based on a teacher's annual income of \$45,000

	403(b) Contribution		
	\$100/Month	\$300/Month	\$500/Month
Monthly gross income	\$3,750	\$3,750	\$3,750
Net paycheck	\$2,786	\$2,652	\$2,518
Change in paycheck	\$67	\$201	\$335

This is a hypothetical example used for illustrative purposes only, and is not indicative of any specific investment. The example does not reflect any fees or charges that may apply.



Welcome to the SchoolsFirst Family.  
We are here to help you!

Our goal as your district's Plan Administrator is to provide you with the very best personal service. For assistance, please contact a SchoolsFirst Plan Administrator:

**Phone: 800.462.8328, ext. 4727**

Email: [rpa@schoolsfirstfcu.org](mailto:rpa@schoolsfirstfcu.org)

Hours:  
Monday through Friday: 7:00 a.m. to 7:00 p.m.  
Saturday: 9:00 a.m. to 3:00 p.m.

Important Websites:  
**To Access TPA Forms:**  
<https://www.schoolsfirstfcu.org>  
> Investments and Retirement  
> Retirement & Investment Forms

**Plan Vue Website:**  
[pa.schoolsfirstfcu.org](http://pa.schoolsfirstfcu.org)

**Empower Retirement:**  
[www.myfbcretirement.com](http://www.myfbcretirement.com)

## 403b Compare:

[www.403\(b\)Compare.com](http://www.403(b)Compare.com)

**SCHOOLSFIRST** 

Plan Administration, LLC

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Representatives are not tax advisors. For information regarding your specific tax situation, please consult a tax professional.