ANNUAL NOTICE TO EMPLOYEE

**REGARDING THE**

**AMHERST EXEMPTED VILLAGE SCHOOL DISTRICT**

**SECTION 403(B) AND/OR 457 PLAN**

As an employee of the Amherst Exempted Village School District, you are eligible to participate in the Amherst Exempted Village School District Section 403(b) and/or 457 Plan (the “Plan”). The Plan permits you to elect to defer a portion of your salary or wages on a pre-tax basis.

This annual notice is a reminder that the Plan is available to you. You should have previously received a more detailed Employee Summary of the terms of the Plan. Please contact the Treasurer’s office if you would like to defer compensation under the Plan, or would like to change the amount that you are deferring under the Plan. In **2016**, the general limitation on deferral under the Plan is **$18,000.00** and the Age 50 Contribution Limit is an additional **$6,000.00**. The total contribution limit per year to the 403(b) **AND** 457 is **$24,000.00** each.

Also, please contact the Treasurer’s office if you would like another copy of the Employee Summary of the Plan, a list of Plan Providers, a Salary Reduction Agreement, or have any other questions about the Plan. The Treasurer’s office also can provide you with a copy of the Plan document.

| **2016 IRS CONTRIBUTION LIMITS:** | **2016** | **2015** |
| --- | --- | --- |
| Elective Deferrals (401(k) and 403(b); not including adjustments and catch-ups) | $18,000 | $18,000 |
| 457(b)(2) and 457(c)(1) Limits (not including catch-ups) | $18,000 | $18,000 |
| Section 414(v) Catch-Up Deferrals to 401(k), 403(b), 457(b), or SARSEP Plans | $6,000 | $6,000 |
| Defined Benefit Plans | $210,000 | $210,000 |
| Defined Contribution Plans (annual additions limit) | $53,000 | $53,000 |
| Annual Compensation Limit | $265,000 | $265,000 |
|  |  |  |
| Highly Compensated Employee (“HCEs”) | $120,000 | $120,000 |
| Individual Retirement Accounts (“IRAs”), for individuals 49 and below | $5,500 | $5,500 |
| Individual Retirement Accounts (“IRAs”), for individuals 50 and above | $6,500 | $6,500 |
| SIMPLE Retirement Accounts | $12,500 | $12,500 |
|  |  |  |
| SEP Compensation | $265,000 | $265,000 |
| Tax Credit ESOP Maximum Balance | $1,070,000 | $1,070,000 |
| Amount for Lengthening of 5-Year ESOP Period | $210,000 | $210,000 |
| Maximum Amount for Qualified Longevity Annuity Contract Purchases | $125,000 | $125,000 |
| Income Subject to Social Security Tax | $118,500 | $118,500 |
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