

Albuquerque Public Schools 403(b) Voluntary Retirement Savings Plan Annual Notice

To All APS Employees:

This notice is to make you aware of your eligibility to participate in the APS 403(b) retirement plan. All APS employees are eligible to participate, regardless of whether your status is full-time, part-time or hourly. The 403(b) plan (often called a “tax-sheltered annuity” or TSA) is a voluntary plan that allows you to defer a portion of your paycheck to a retirement plan. The 403(b) plan is administered for APS by TCG Administrators.

The 403(b) plan is a benefit offered by APS to help you bridge your retirement income gap and lower your taxes. Under Federal tax law, you do not have to pay income taxes on your contributions or account earnings until you take the money out of the plan.

Please read below for details on how to enroll and how easy it is to start saving now.

Why would I want to participate if I am already saving through the Education Retirement Board plan?

The ERB plan may not replace all of your income in retirement. The average retiree receives 60-65 percent of their income at retirement. For example, if your current salary is \$5,000 per month and your retirement benefit equals 65 percent of your current salary, you will receive \$3,250 each month. However, research by one of the largest state teacher retirement systems indicates that retirees must receive 90-95 percent of their income in retirement to maintain their current standard of living. In the above example the individual has a shortfall of \$1,750 per month.

Why would I contribute to a 403(b) plan?

Bridge your retirement income gap

Lower your taxes

Automatic saving - payroll deducted

Important points about the 403(b) plan:

A. You may start, stop or change your payroll deduction contribution to the 403(b) plan at the first of any month*.

The deadline for enrollment or changes is generally the 20th of the month preceding the month you want to start or change your contributions. (*Please note that winter break and summer payroll schedules and deadlines can impact the start, stop or contribution amount change date.)

B. If you elect to enroll in the 403(b) plan, your first step is to select an investment fund vendor and complete any necessary paperwork (or on-line or in-person enrollment) to set up an account with that vendor. The list of investment fund vendors is available by emailing employee.benefits@aps.edu or calling the APS Employee Benefits Department at (505) 889-4821. It is also available on the TCG Administrators website at www.tcgservices.com. TCG Administrators is the administrator for the APS 403(b) plan.

B. You may contribute up to \$19,500 for 2020 if you are under age 50 and up to \$26,000 if you are age 50 or over. (As of 8/4/2020, the IRS has not yet announced the maximum contribution limits for 2021.)

C. All APS employees are eligible to participate in the 403(b) plan. The minimum contribution amount to the plan is \$7.50 per pay period. There are no other restrictions on your right to make contributions to the Plan. Contributions are deducted from 24 pay periods per year.

Once you are set up with an investment fund vendor, set up your salary reduction election:

1. Go to www.tcgservices.com
2. Click on “Enroll” (top right on the menu bar)
3. Enter “Albuquerque Public Schools” in the search box, and then click the Search button
4. Click the orange “Enroll” button
4. Enter your Social Security Number (without dashes) and click “Next”
5. Set up a username, password and security questions, then enter your personal information and click “Next”
 - Under the Enter Investments Elections, click the “403b Pretax Deferral” (to set up a pre-tax deferral) or the “403b Roth Deferral” (to set up an after-tax deferral). You will then see all the applicable investment fund vendor names.
 - Scroll down to your investment fund vendor and enter your contribution amount (per pay period deferral amount) in the white box to the right
 - Click the Authorization checkbox at the bottom of the screen to proceed with your enrollment
6. Review and confirm that all information is correct, including your investment fund vendor name and per paycheck deferral amount. Make any needed changes using the Edit buttons, then click “Submit”
7. Your six-digit Confirmation Number will be emailed to you.
 - a. If you do not receive a confirmation email, the election was not finalized.
8. You may also call TCG Administrators at (800) 943-9179 and they will assist you by phone.

Albuquerque Public Schools Employee Benefits Department

TCG Administrators

Albuquerque Public Schools 457(b) Voluntary Retirement Savings Plan Annual Notice

To All APS Employees:

This notice is to make you aware of your eligibility to participate in the APS 457(b) retirement plan. All APS employees are eligible to participate, regardless of whether your status is full-time, part-time, or hourly. The 457(b) plan (often called a deferred compensation plan) is a voluntary plan that allows you to defer a portion of your paycheck to a retirement plan. The 457(b) plan is administered for New Mexico employees by Voya Financial.

The 457(b) plan is a benefit offered by APS to help you bridge your retirement income gap and lower your taxes. Under Federal tax law, you do not have to pay income taxes on your contributions or account earnings until you take the money out of the plan.

Please read below for details on how to enroll and how easy it is to start saving now.

Why would I want to participate if I am already saving through the Education Retirement Board plan?

The ERB plan may not replace all of your income in retirement. The average retiree receives 60-65 percent of their income at retirement. For example, if your current salary is \$5,000 per month and your retirement benefit equals 65 percent of your current salary, you will receive \$3,250 each month. However, research by one of the largest state teacher retirement systems indicates that retirees must receive 90-95 percent of their income in retirement to maintain their current standard of living. In the above example the individual has a shortfall of \$1,750 per month.

Why would I contribute to a 457(b) plan?

Bridge your retirement income gap

Lower your taxes

Automatic saving - payroll deducted

Important points about the 457(b) plan:

A. You may start, stop or change your payroll deduction contribution to the 457(b) plan at the first of any month*.

The deadline for enrollment or changes is generally the 20th of the month preceding the month you want to start or change your contributions. (*Please note that winter break and summer payroll schedules and deadlines can impact the start, stop or contribution amount change date.)

B. You may contribute up to \$19,500 for 2020 if you are under age 50 and up to \$26,000 if you are age 50 or over. (As of 8/4/2020, the IRS has not yet announced the maximum contribution limits for 2021.)

C. All APS employees are eligible to participate in the 457(b) plan. The minimum contribution amount to the plan is \$10.00 per pay period. There are no other restrictions on your right to make contributions to the 457(b) plan. Contributions are deducted from 24 pay periods per year.

D. For more information about the APS 457(b) plan, call the APS Employee Benefits Department at (505) 889-4821, visit <https://my.voya.com/voyassoui/index.html?domain=perasmartsave.voya.com#/login-pweb> or call Voya Customer Service at (833) 424-7283.

To enroll in the 457(b) plan:

Visit the above website and select "Click here for PERA SmartSave Enrollment" (this is the gold box to the right of the picture of the hikers). At the next screen, start typing Albuquerque Public Schools in the search box and select "Albuquerque Public Schools PERA SmartSave", click Continue, and then follow the instructions to enroll. Be prepared to indicate your per pay period contribution amount, your investment elections (refer to the PERASmartSave site), and your beneficiaries.

After you have completed your enrollment, Voya will send you a Personal Identification Number (PIN) in the mail. Once you enroll and receive your PIN, it is important to register your account at PERASmartSave.voya.com, and to create a Username and Password. This will allow you to access your account going forward (including to make any changes to your contribution amount in the future).

Albuquerque Public Schools Employee Benefits Department

PERA SmartSave