

Comal Independent School District

Memorandum

To: All Comal ISD Employees

From: Debra Smith, Assistant Superintendent of Business Services

Subject: January 17, 2009

Subject: 403(b) and 457(b) Retirement Plan Programs

The purpose of this memo is to make all employees aware of their eligibility to voluntarily participate in the Section 403b and 457(b) programs (also known as deferred compensation/tax sheltered annuities).

These programs provide a way for you to set aside money for retirement on a pre-tax basis. Somewhat similar to other retirement plans such as a traditional IRA, you pay tax when you withdraw the funds. You simply decide whether you want your money to go to an insurance company annuity or into a mutual fund custodial account. For instructions and related forms to enroll in either of these programs please visit the district's website at www.comalisd.org/staff/benefits/retirement_plans.asp or contact the CISD payroll dept. at 830-221-2092.

Money you put into these programs should generally be thought of as long term savings. IRS regulations generally prohibit your getting to the money until you are 59 ½ years old.

Comal ISD does not recommend any particular investment. There are restrictions on the programs, such as amounts you are allowed to contribute.

We want to make sure you are aware of these programs. You may direct questions to the Comal ISD Payroll office.