

**WOODFORD COUNTY BOARD OF EDUCATION  
AGENDA ITEM**

**ITEM #:**           **DATE:** September 25, 2023

**TOPIC/TITLE:** 403B Match Proposal

**PRESENTER:** Shane Smith

**ORIGIN:**

- TOPIC PRESENTED FOR INFORMATION ONLY (No board action required.)
- ACTION REQUESTED AT THIS MEETING
- ITEM IS ON THE CONSENT AGENDA FOR APPROVAL
- ACTION REQUESTED AT FUTURE MEETING:            (DATE)
- BOARD REVIEW REQUIRED BY

- STATE OR FEDERAL LAW OR REGULATION
- BOARD OF EDUCATION POLICY
- OTHER:

**PREVIOUS REVIEW, DISCUSSION OR ACTION:**

- NO PREVIOUS BOARD REVIEW, DISCUSSION OR ACTION
- PREVIOUS REVIEW OR ACTION

- DATE:
- ACTION:

**BACKGROUND INFORMATION:**

**SUMMARY OF MAJOR ELEMENTS:**

403B Match Proposal. Recommended motion to approve CFO to move forward with getting plan documents from American Fidelity reflecting 5% match of contributions with proposed vesting schedule.

**IMPACT ON RESOURCES:**

**TIMETABLE FOR FURTHER REVIEW OR ACTION:**

**SUPERINTENDENT'S RECOMMENDATION:**  Recommended             Not Recommended

\_\_\_\_\_ *Danny Adkins Jr.*

# 403B Matching

## 403B Matching

- 615 Eligible Participants in FY23
  - All full-time and part-time contracted employees are eligible
- 60 Participants (10%) Contributed \$79,231 in FY23
  - Average contribution \$1,320

### Plan Proposal

- Offer 5% match on contributions with vesting schedule to be paid after the end of each fiscal year.
  - Vesting Schedule – to qualify for match, employee would have to be employed with the District as of 06/30/20XX
  - Should impact retention

## 403B Matching

- Variables
  - \$22,500 annual contribution limit in calendar year 2023
  - Additional \$7,500 catchup contribution for calendar years 2023 & 2024
- Total contribution could be \$30,000 for 2023 & 2024

## 403B Matching

- Assumptions
  - 50% Participation with full \$30,000 contribution
    - \$461,250 Cost to District
  - 30% Participation with full \$30,000 contribution
    - \$276,750 Cost to District
  - 30% Participation with half \$15,000 contribution
    - \$138,375 Cost to District
  - 30% Participation with current avg (\$1,320) contribution
    - \$12,177 Cost to District
- Match with current participants & contributions
  - \$3,960 Cost to District

# 403B Matching

Questions?