

2024 – PWCS Supplemental Retirement Plan comparison chart



Feature	Traditional 403(b)	Roth 403(b)	457(b)
Contributions	Traditional, pre-tax employee elective contributions are made before taxes are taken out. PWCS matches on the first 2% of salary deferral. ¹	Designated Roth employee elective contributions are made with after-tax dollars. PWCS matches on the first 2% of salary deferral. ¹	Pre tax employee elective contributions are made before taxes are taken out. No matching PWCS funds for 457(b) contributions.
Basic contribution limit ²	\$23,000	\$23,000	\$23,000
Age 50 catch-up contribution	\$7,500	\$7,500	\$7,500
Who may benefit from contributing?	<ul style="list-style-type: none"> • Employees who expect to be in a lower tax bracket at retirement • Employees who want to defer current taxation on income and investment earnings 	<ul style="list-style-type: none"> • Younger employees in lower tax brackets with a long time until retirement • Employees who are unable to contribute to Roth Individual Retirement Accounts (IRAs) due to income constraints • Employees who expect tax rates to increase by their retirement date • Employees interested in estate planning opportunities 	<ul style="list-style-type: none"> • Employees who expect to be in a lower tax bracket at retirement • Employees who want to defer current taxation on income and investment earnings • Employees who will terminate employment before age 59½ and want to withdrawal funds
Timing of distributions	<ul style="list-style-type: none"> • Age 59½ • Age 55 or older and permanent separation of service; not participating in ROP program³ • Total and permanent disability • Death • Severance from employment⁴ • In-service hardship and in-service loan⁵ 	<ul style="list-style-type: none"> • Age 59½ • Severance of employment⁶ • Total and permanent disability if terminated • Death • In-service hardship 	<ul style="list-style-type: none"> • Age 70½ • Severance of employment • Death • Total and permanent disability • In-service unforeseeable emergency
Taxation of withdrawals	Withdrawals of contributions and earnings are subject to federal and state income taxes.	Withdrawals of Roth contributions are not taxed. Roth earnings are not taxed provided it is a qualified distribution. ⁷ The account must be held for at least five years and one of the following has occurred: <ul style="list-style-type: none"> • Age 59½ or older • Disability • Death of participant 	Withdrawals of contributions and earnings are subject to federal and state income taxes.
Required minimum distributions (RMDs)	Distributions must begin no later than age 73, ⁸ unless still working.	Distributions must begin no later than age 73, ⁸ unless still working. ⁹	Distributions must begin no later than age 73, ⁸ unless still working.

¹PWCS matches the first 2% total deferral of either pretax or Roth 403(b) contributions, a percentage match based on years of service for each paycheck where you defer up to 2%. Paid per paycheck, not on an annual basis.

²Employees may split their contributions between pretax 403(b) and Roth 403(b), however, the total combined contribution may not exceed the IRS annual maximum.

³ROP participants are considered Form W-2 wage employees by IRS definition. Upon retirement, the intent is to return within 30 days, not to sever employment; ROP participants are ineligible for distributions until age 59½.

⁴Employees must satisfy the age 59½ requirement or an IRS qualifying distribution event to avoid the 10% early withdrawal penalty.

⁵Roth deferrals will be used to calculate the maximum loan amount available, but loans are not available from the Roth account.

⁶Employees who haven't met the IRS age requirements may be subject to additional taxes on Roth earnings upon withdrawal.

⁷If IRS requirements aren't met, the earnings will be subject to taxes and possibly a 10% federal penalty tax.

⁸RMDs can be deferred until April 1 of the calendar year following the year in which you are retired and at least: age 70½ (if born before July 1, 1949); age 72 (if born after June 30, 1949, and before 1951); age 73 (if born between 1951 and 1959); age 75 (if born in 1960 or later).

⁹Participants (but not beneficiaries) who have Roth accounts will no longer have Roth accounts included in the RMD calculation or payments.

Please refer to your retirement plan summary document for more complete information on contributions and withdrawal eligibility. The mutual fund-based program includes certain services provided by Lincoln Financial Advisors Corp. (LFA), a broker-dealer (member FINRA, SIPC) and retail and financial planning affiliate of Lincoln Financial Group, 1301 S. Harrison St., Fort Wayne, IN 46802. Unaffiliated broker-dealers also may provide services to customers. Account values are subject to fluctuation, including loss of principal.