



Hamilton

Human Resources

January 17, 2024

Dear Hamilton Employee:

In 2002 Hamilton College established a 457(b) Deferred Compensation Plan to provide a select group of highly compensated employees an additional opportunity to set aside a portion of their salary on a pre-tax basis. The plan was amended and restated as of January 1, 2016. A description of the plan is available from Human Resources.

Eligibility for participation in any given year is determined by an individual's compensation from the College in the preceding calendar year. Because the threshold amount and compensation may change from year to year, eligibility is determined on an annual basis. To be eligible to participate in the College's 457(b) plan during 2024, an individual's compensation for 2023 must have equaled or exceeded \$150,000, and placed the individual in the top 10% of all employees when ranked in order of compensation.

Based on your 2023 compensation amount, you are eligible to participate in this plan during 2024. The current annual general contribution limit for 457(b) plans is \$23,000. This amount is in addition to the limit you can contribute to the College's 403(b) voluntary retirement plan. The current annual limit for voluntary contributions to a 403(b) plan is \$23,000, and for individuals age 50 and over an additional \$7,500 in catch-up contributions.

The investment options and tax deferral advantages are the same under both plans, but the distribution requirements under the 457(b) plan are more restrictive. Therefore, it is normally recommended that individuals maximize their contributions to the College's 403(b) voluntary retirement plan before taking advantage of the 457(b) Deferred Compensation Plan.

Enclosed are salary reduction forms for each plan in the event that you would like to start or change deferral amounts for these plans. **Your current elections will continue unless you submit a form requesting a change.** Please note the following deadlines for submitting payroll deduction forms:

For any changes to your 403(b) deduction, or to stop a 457(b) deduction, forms received prior to the 15th of the month will be processed for the current month (unless a later date is indicated).

For a new or changed 457(b) deduction, deductions will change the first day of the next following month (unless a later date is indicated).

Please contact me at khatzing@hamilton.edu, or 315-859-4689 if you have any questions, or would like additional information.

Sincerely,

Kimberly S. Hatzinger SPHR SHRM-SCP

Benefits Manager