

## New Contribution Limits for 2019!

In 2019, **IRS limits will increase by \$500**—making the maximum contribution amount for the San Francisco Deferred Compensation Plan (SFDCP) \$19,000 for those under age 50, or \$25,000 for those age 50 or over (by Dec. 31, 2019).

### Regular, Age 50+ and Special Catch-up Contributions\*

Plan Contribution Limit	2019	2018
If you're younger than age 50	\$19,000	\$18,500
If you're age 50 and older (includes catch-up contribution amount of \$6,000)	\$25,000	\$24,500
Special 457(b) Catch-up**	\$38,000	\$37,000

\* You may not combine Special 457(b) Catch-Up and Age 50+ Catch-up contributions in the same tax year.

\*\* If eligible.

### Keep in mind...

If you contributed the maximum to the SFDCP in 2018, your 2019 contributions will **not** be maximized unless you update your per-paycheck deduction amount.

# 1

### STEP 1:

**Calculate your per-paycheck deduction amount**

To contribute the maximum (up to the IRS limit) to your account in 2019, you need to calculate your deduction amount for each pay period. For example, if you are under age 50, \$19,000 divided by 26 (pay periods) means you should contribute \$731 (rounded up) per paycheck. If you start your contributions later in the year, just divide by the number of pay periods left to calculate your per pay period deduction. A **payroll calendar** can also be found on the "About the Plan" page at [sfdcp.org](http://sfdcp.org).

Of course, if you want to **"front load"** your account, you can contribute up to 61% of your gross compensation. Deductions stop automatically once you reach the annual IRS limit. What is the advantage of front loading? It allows more money to be invested over a longer period!

# 2

### STEP 2:

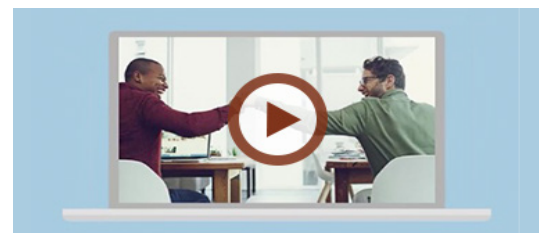
**Increase your per-paycheck deduction amount**

*How?* Simply log in to your account at [sfdcp.org](http://sfdcp.org) or call **888-SFDCP-4U** (888-733-2748), option 1. **No form is required.**

## Have You Upgraded Your SFDCP Account Yet?

With the new year approaching, now is the perfect time to focus on your financial future and take advantage of Financial Wellness. Visit [sfdcp.org](http://sfdcp.org) today and click **Register/Log In** to upgrade your deferred compensation account—and enjoy a new level of personalized, interactive web content. *You will be prompted to set up a new online profile to complete your upgrade.*

Your new digital experience will help you assess where you may need to make a change to your financial plan, address day-to-day money matters, budget more effectively and more!



Check out the **upgrade tutorial** under the "Latest News" section on [sfdcp.org](http://sfdcp.org) today!

# 'Check' Your Way to a Stronger Financial Future Now

The SFDCP gives you lots of great tools to help you take the right steps to plan for a more secure financial future in 2019.

Be sure to view our **Welcome to 2019 Checklist** under the "Latest News" section on [sfdcp.org](http://sfdcp.org)!

## Recap: The October 'Your Whole Story' Seminar

During the month of October, we hosted the "Your Whole Story" seminar to help SFDCP participants learn how their pension, Social Security and the SFDCP all work together to help navigate their journey to retirement.

### Here are some key takeaways from the seminar:

- Rule of thumb: 80% of your pre-retirement income is needed to maintain your current lifestyle—so if you currently earn \$5,000 a month, you'll need at least \$4,000 a month in retirement.
- However, 50% of SFERS pensioners have benefits of less than \$3,000 per month.
- Your pension and Social Security benefit are fixed amounts that you cannot change.
- The SFDCP is the *only benefit* you can control to help achieve financial security in retirement.
- As you approach retirement, you may be able to take advantage of Special 457(b) Catch-up contributions. And you might also deposit your lump-sum payout into your SFDCP account to boost your account balance—and save on taxes!



### Did you miss it? Be sure to attend the next seminar!

Here's what attendees had to say about the "Your Whole Story" seminar:

*"Intelligent, professional and very easy to understand. Great sense of humor."*

—Andrew, Department of Public Health

*"Enthusiastic presentation and I felt motivated to do more."*

—Shannon, Public Utilities Commission

*"Very informative—I will be scheduling an appointment."*

—Tonya, City Attorney Department

### Need Help?

To schedule an appointment with an SFDCP Retirement Counselor, call **888-SFDCP-4U** (888-733-2748) and select option 2, or visit the "**Contact Us**" page at [sfdcp.org](http://sfdcp.org). Walk-in appointments are also available Monday–Friday, 8 a.m. to 5 p.m. at 1145 Market Street, 5th floor.



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