

## Use our Checklist to get a good start on a great year

By following a few simple savings routines, you can give yourself more time to focus on you.

-  **Set up an online account** if you haven't already. One of hackers' favorite techniques is to create online accounts to gain access to money or personal information. By creating your own online access first, you can help protect your account and data.
  - Go to [kentuckydcp.com](http://kentuckydcp.com) and select "Login Help & Sign Up" today
-  **Use the My Interactive Retirement Planner Tool** to determine if you're on track to reach your retirement goals. Using your account data and information you provide, the Planner generates a personalized Retirement Readiness Report each time you use the tool.
  - Log in to your KDC account to discover your potential retirement readiness
-  **Increase or restart your contributions** to your KDC account. Regularly increasing contributions can help you feel more confident about reaching your longer-term goals.
  - Log in to your KDC account and select the "Change Contribution" link
-  **Evaluate your investing strategy** to make sure it corresponds with your risk tolerance and to consider opportunities that may be more appropriate for your needs or goals.
  - Log in to your account or meet with your KDC Retirement Specialist
-  **Review or update your beneficiary designation(s)**. Take care of the ones you love. It's important to do this every year and any time you have a life change.
  - Go to [kentuckydcp.com](http://kentuckydcp.com) and select "Support & Forms" to download, complete and mail the beneficiary designation form
-  **Attend one of our monthly webinars**. Gain some valuable information while earning go365 points at the same time.
  - Visit the "Events" page at [kentuckydcp.com](http://kentuckydcp.com)
-  **Contact KDC to setup an account review** with a KDC Retirement Specialist to refine your retirement strategy and identify opportunities through the Plan.
  - Refer to the map in this newsletter for your local KDC Retirement Specialist

### *KDC is here for you.*

Our local Frankfort office welcomes walk-ins weekdays 8 a.m. to 4:30 p.m.  
Or call 1-800-542-2667 or 502-573-7925 weekdays to speak to a representative.

## In This Issue



### Contribution limits increase for 2019

See page 2



### Let taxes work in your favor

See page 3



*Spread the word about KDC today!*

**When you need us,  
call 1-800-542-2667**

# Consider saving more for retirement this year

Deferring the maximum amount the IRS allows each year can lower your taxable income, so you might owe less in federal income taxes. Doing so can also give you compounding more power to potentially grow your assets.

Even if you cannot defer the maximum amount, increasing your contribution a little each year could help you reach your financial goals for retirement.

## Single Plan IRS Contribution Limits for 2019

Plan	Maximum elective deferrals	Age 50 catch-up	457 special catch-up <sup>1</sup>
457	\$19,000	\$6,000	Up to \$38,000
401(k)/Roth 401(k) combined limit	\$19,000	\$6,000	N/A
IRA (traditional & Roth) combined limit	\$6,000	\$1,000	N/A

## Combined 457/401(k) plans contribution limits for 2019

Age	Combined maximum	With 457 special 3-year catch-up <sup>1</sup>
Less than age 50	\$38,000	Up to \$57,000
If age 50 and over	\$50,000	Up to \$63,000

*To update your contributions, log in to your account at [kentuckydcp.com](http://kentuckydcp.com) and select **Manage My Funds**.*



Take time to attend monthly KDC webinars!

As a Kentucky state employee, **you can earn 35 go365 points** each time you participate in a KDC educational webinar. These webinars take less than an hour and provide valuable information on topics such as:

- Enrolling in the plan
- Budgeting
- Health care
- Social security
- Nearing retirement

These sessions are offered to any state employee, so spread the word! Sessions fill up fast, so be sure to register in advance.

To receive credit, you will need to participate in the full session and complete a go365 survey upon completion. Points from the survey are awarded at the end of each month.

**Learn about upcoming KDC webinars, and to register, visit [kentuckydcp.com](http://kentuckydcp.com) and click on the “Events” page.**

<sup>1</sup>“401(k) contribution limit increases to \$19,000 for 2019; IRA limit increases to \$6,000,” IRS.gov (Nov. 1, 2018).

# Let taxes work in your favor



## Pretax contributions

- More money goes into your account than comes out of take-home pay
- Lowers your taxable income now
- Earnings grow tax deferred until withdrawn
- Withdrawals are taxed as ordinary income, when you may be in a lower tax bracket



## Roth (after-tax) contributions

- Your take-home pay is reduced by the amount that is contributed
- Contributions and any earnings may be withdrawn tax free during retirement if certain criteria are met<sup>2</sup>
- Participation has no income restrictions (as opposed to Roth IRAs)
- Can be used for estate planning
- Offers tax planning flexibility in retirement

*To see what impact your contribution is having on your pay, go to the Learning Center at [kentuckydcp.com](http://kentuckydcp.com), select Tools and Calculators and click on the Paycheck Impact Calculator.*



*For help with retirement plan education, contact your KDC Retirement Specialist or call the KDC office at 1-800-542-2667*



## 1099-R forms will be mailed by January 31, 2019

If you received a distribution from your KDC account in 2018, your IRS Form 1099-R will be mailed by January 31, 2019. If you are enrolled in Paperless Delivery, you'll receive an email when it is available to download from the KDC website.

<sup>2</sup> To be tax-free and without penalty, withdrawals from a Roth 401(k) must occur at least five years after the first contribution was made to the account and the account holder must be either 59½ years old, deceased or disabled. To be tax-free and without penalty, withdrawals from a Deemed Roth IRA must occur at least five years after the first contribution was made to the account and the account holder must be at least 59½, disabled or deceased, or use the withdrawal (up to a \$10,000 lifetime maximum) to pay for a first-time home purchase.

# Actions of the Board of Trustees

At the regularly scheduled quarterly meeting on December 14, 2018, the Authority Board of Trustees (Board) took the following actions:

- Approved the minutes of the September 14, 2018, regular meeting, as submitted;
- Approved legislation proposing auto enrollment and custodial efficiencies.
- Approved the NRS 10 Year Contract.
- Set the next quarterly meeting date for Friday, March 22, 2019, at 9:00 a.m. at the Authority office, 101 Sea Hero Road, Suite 110, Frankfort, Kentucky.

For further information on these items, please call William C. Biddle, Executive Director, at 800.542.2667.



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## Calendar of events:

### HOLIDAYS

January 21, 2019  
**Martin Luther King, Jr. Day**  
KDC Office Closed

April 19, 2019  
**Good Friday**  
KDC Office Closed  
one-half day

**QUARTERLY BOARD OF TRUSTEES MEETING**  
March 22, 2019

**EDUCATIONAL WEBINARS**  
For topics and to reserve your spot, visit the KDC Events page at [kentuckydcp.com](http://kentuckydcp.com)

## KDC Retirement Specialist Directory



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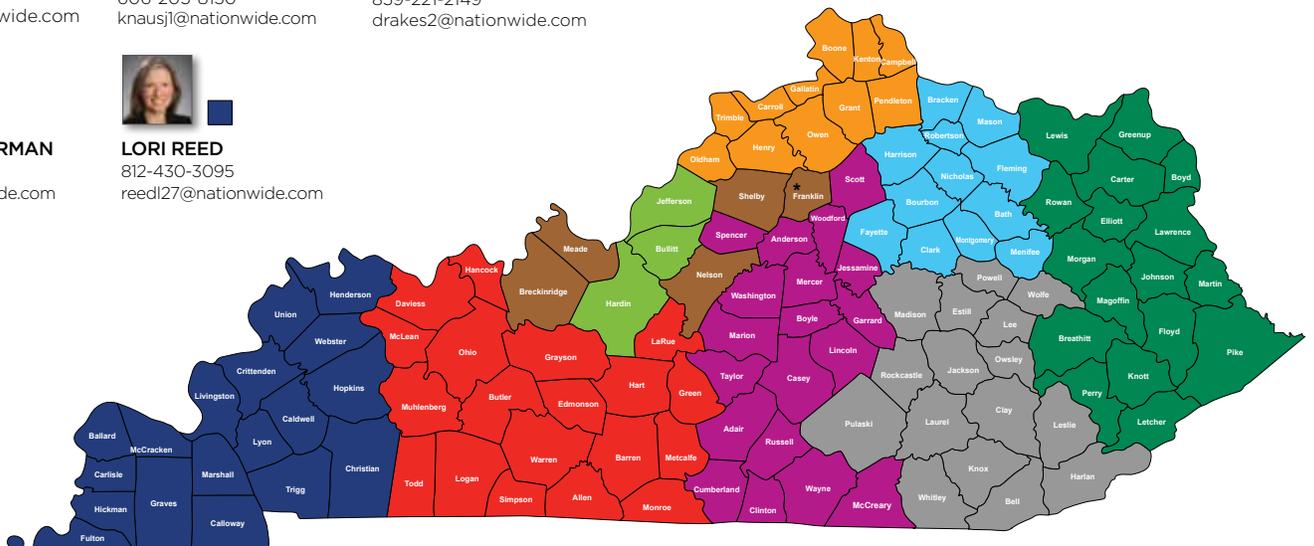
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