

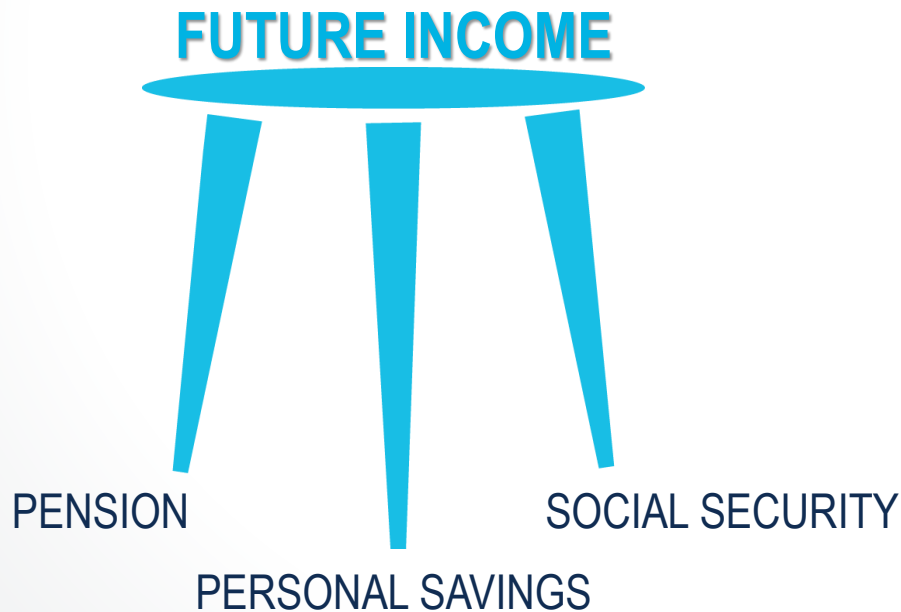


GET TO KNOW YOUR 457 DEFERRED COMPENSATION PLAN

Brenda Cota, Retirement Plans Specialist

RETIREMENT SAVINGS MATTER

Your pension and/or Social Security may go a long way but are unlikely to be enough



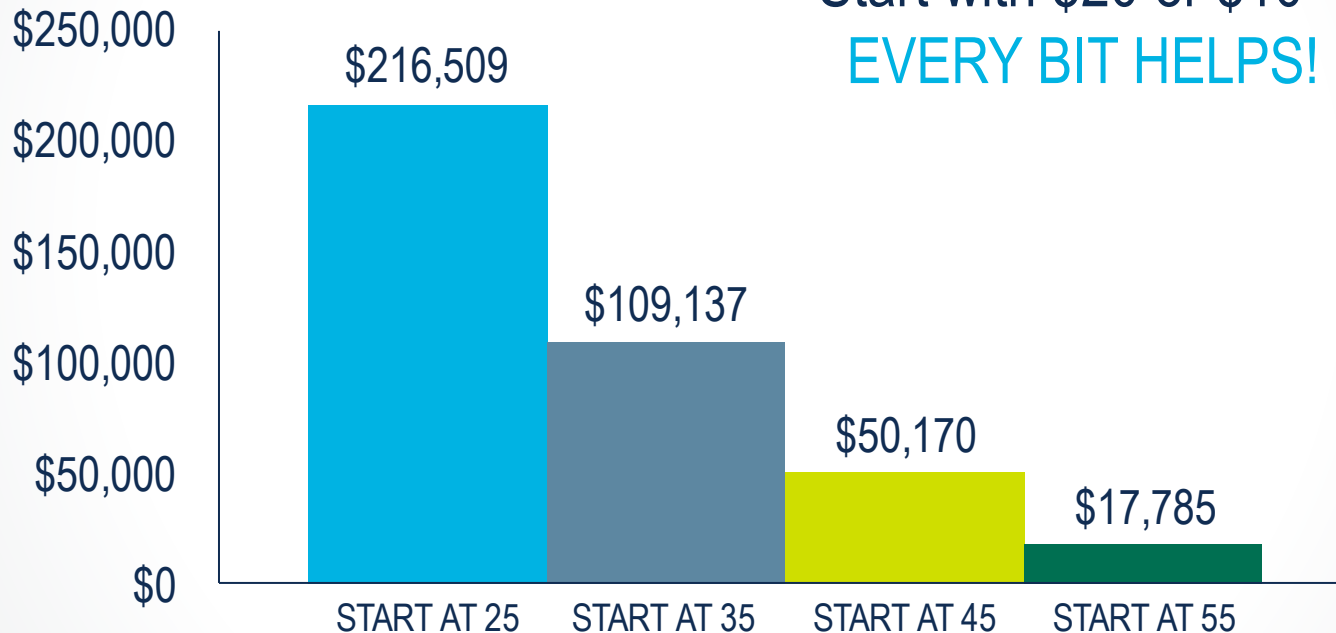
YOUR 457 DEFERRED COMPENSATION PLAN: SAVE FOR YOUR FUTURE

- ▶ Pre-tax contributions reduce taxable income
- ▶ You control withdrawals at separation from service
- ▶ Withdrawals are subject to taxes
 - no 10 percent penalty* (regardless of age)

* 10 percent penalty tax never applies to withdrawals of original 457 plan contributions and associated earnings. But penalty may apply to *non-457* plan assets rolled into a 457 plan and subsequently withdrawn prior to age 59½.

WHEN YOU START SAVING MATTERS

ACCOUNT BALANCE
AT AGE 65



Don't delay – www.icmarc.org/costofdelay

INCREASE YOUR CONTRIBUTIONS OVER TIME

ACCOUNT VALUE
20 YEARS LATER:



\$25 Annual bi-weekly
contribution increase

\$272,805

\$0 Maintain your bi-weekly
contribution (no increase)

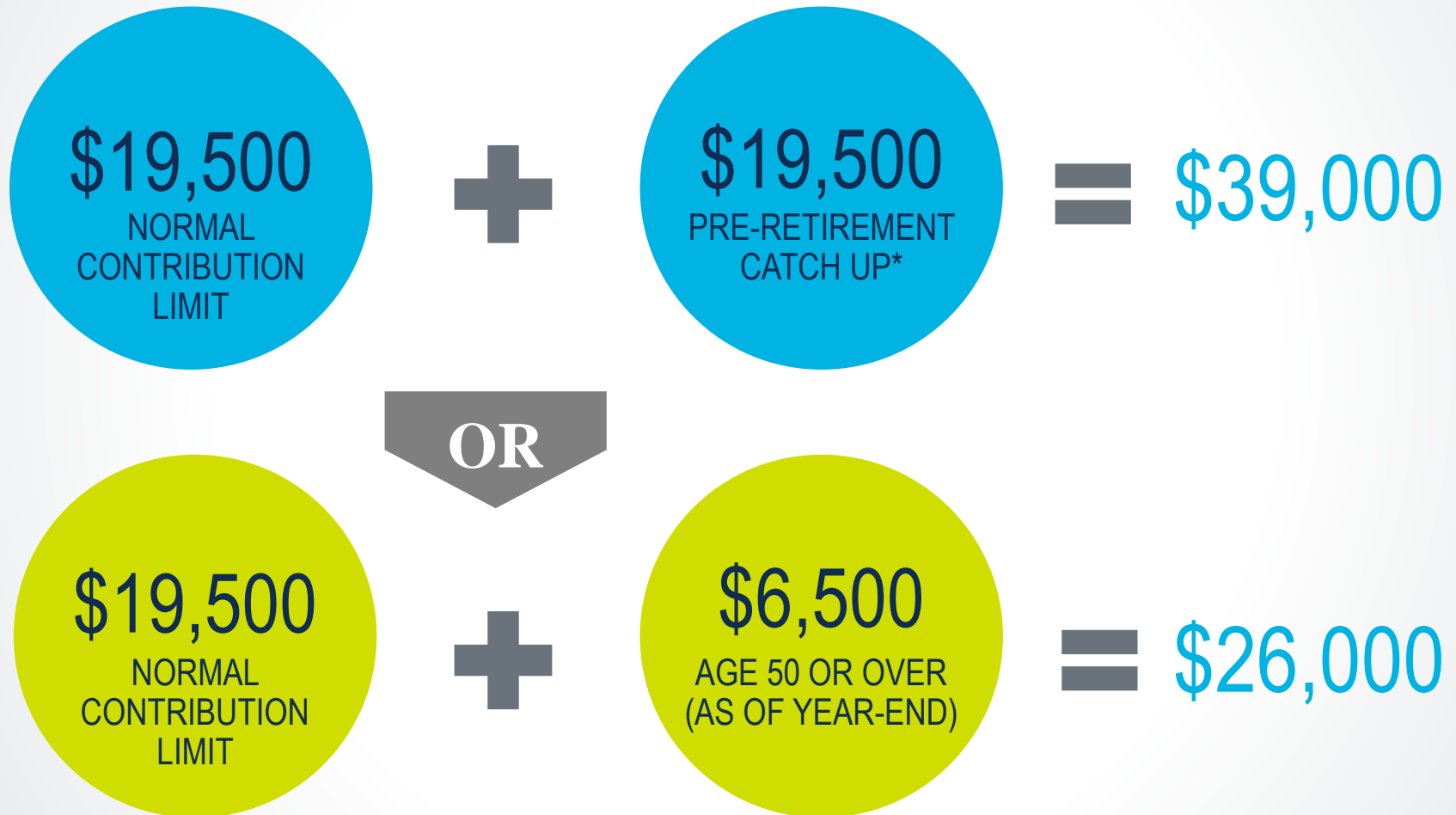
\$83,325

A **\$25 BI-WEEKLY BOOST** each year leads to over **\$189,000**
in additional savings!

See more examples – www.icmarc.org/savingsboost

For illustrative purposes only. Assumes \$10,000 account value and \$50 bi-weekly contributions at age 40 and 6 percent average annual return.

2020 Contribution Limits – 457 Plan



*During each of the three years prior to the year you reach your normal retirement age, as defined in the plan and based on extent to which maximum contributions not made in previous years.

Note: Pre-retirement and Age-50 Catch-up provisions cannot be combined in the same plan year

CHOOSE YOUR INVESTING APPROACH



1

I want to build
my own portfolio



2a

I want a simple, yet
diversified portfolio



2b

I want someone
to do it for me

1 BUILD YOUR OWN

Select individual funds

- ▶ Stock Funds
 - U.S. vs. International
 - Large-Cap vs. Mid/Small-Cap
- ▶ Fixed-Income Funds
 - Bond
 - Stable Value
 - Money Market



2 A SINGLE DIVERSIFIED FUND

TARGET DATE FUND¹

- ▶ Based on expected initial withdrawal age
- ▶ Seeks to reduce risk over time

“Milestone Fund Series”

- ▶ *Milestone 2015 Fund*
- ▶ *Milestone 2020*
- ▶ *Milestone 2025*
- ▶ *Milestone 2030*
- ▶ *Milestone 2035*
- ▶ *Milestone 2040*
- ▶ *Milestone 2045*
- ▶ *Milestone 2050*
- ▶ *Milestone 2055 Fund*

¹ A target-date fund is not a complete solution for all of your retirement savings needs. An investment in the fund includes the risk of loss, including near, at or after the target date of the fund. There is no guarantee that the fund will provide adequate income at and through an investor's retirement. Selecting the fund does not guarantee that you will have adequate savings for retirement.

2 MANAGE MY ACCOUNT FOR ME

3



Asset-based fee^{1,2}
Can opt out any time

¹ Underlying mutual fund expenses and plan administration fees apply in addition to the Managed Accounts advisory fee.

² Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.

CHOOSE BENEFICIARIES

- ▶ Your assets paid per your wishes
- ▶ Avoid probate costs, delays
- ▶ Avoid creditor claims
- ▶ Loved ones can receive more tax benefits



Review periodically and after a major life event

WITHDRAWALS

- ▶ Upon separation from service
- ▶ While still working, subject to IRS/plan rules
 - Emergencies
 - Age 70½



Can maintain account with ICMA-RC
after you retire, continue tax advantages

GET HELP YOUR ICMA-RC REPRESENTATIVES

RETIREMENT PLANS SPECIALIST

Cheryl Munroe

- ▶ 1-202-682-6443
- ▶ cmonroe@icmarc.org

Enrollment, investment guidance and rollovers

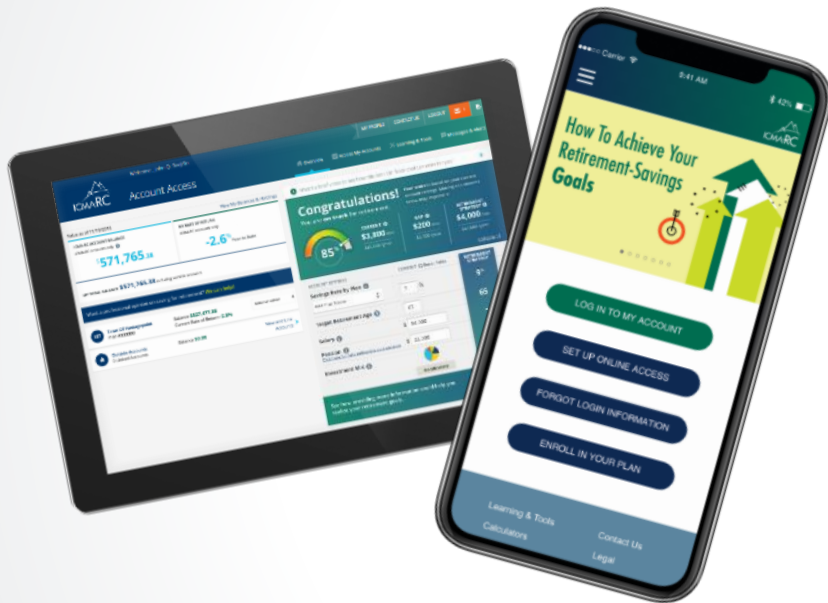
PARTICIPANT SERVICES TEAM

- ▶ 1-800-669-7400

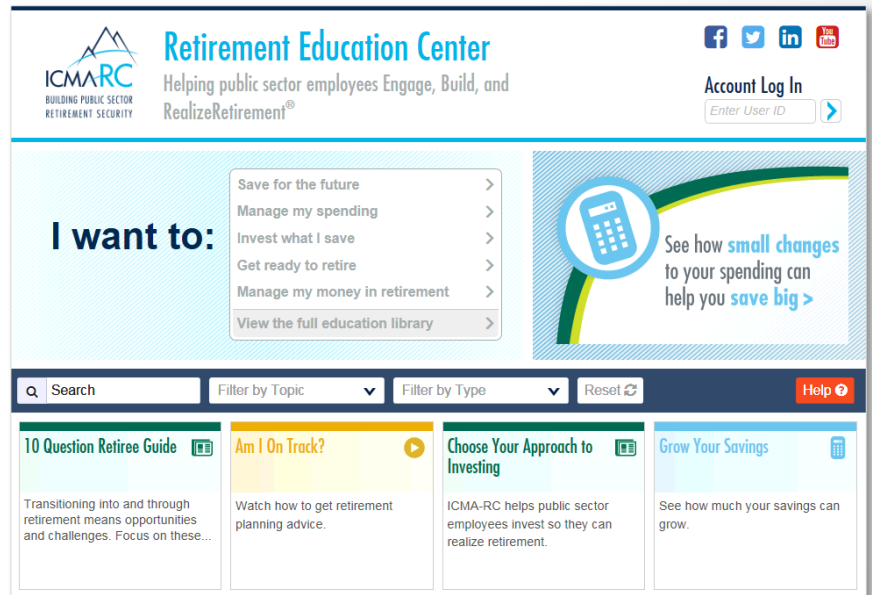
Transactions and general account inquiries



GET THE MOST FROM YOUR ACCOUNT ONLINE



ACCESS YOUR ACCOUNT WHEREVER
YOU ARE WITH OUR MOBILE APP
www.icmarc.org/login



GET TIPS AND TOOLS TO HELP
YOU SAVE, INVEST, RETIRE
www.icmarc.org/education



TAKE THE NEXT STEP

- ▶ Review your saving, investing goals
- ▶ Not participating? Enroll today!
 - Already contributing?
Increase your saving
 - Are you on track?
Visit www.icmarc.org/ontrack



Contact your ICMA-RC representative
for help each step of the way

QUESTIONS



FOR OVER 40 YEARS, ICMA-RC HAS
FOCUSED ON HELPING PUBLIC SECTOR
EMPLOYEES BUILD RETIREMENT SECURITY

www.icmarc.org/about.

