

# MoneyTalks

*Wisconsin Deferred Compensation Program*

## We're going green!

The Wisconsin Deferred Compensation Program is doing its part to go green. Starting this quarter, **quarterly statements and newsletters will be available online** – it's a more secure, environmentally friendly method of delivery! Once a year we'll mail you a reminder that your statements are available online.

If you elect to receive statements via e-delivery, we will send an email notification each quarter when your current statement is available. Once it becomes available, you can access, view and print it at any time.

You can continue receiving paper statements at no charge. Simply log in to your WDC account at [www.wdc457.org](http://www.wdc457.org) and click on your name to bring up your profile details. Under *Communication Preference*, click *Change* and deselect *E-delivery*.

## Take a few minutes to designate/update your beneficiary

Have you designated a beneficiary for your Wisconsin Deferred Compensation Program account? Even if you chose a beneficiary when you first enrolled in the WDC, you may want to verify that your choice is up to date. For example, if your family circumstances changed, your beneficiary designation should reflect those changes. Designating a beneficiary to receive the assets in your account in the event of your death can make a difficult time for someone you care about a little easier. When you designate a beneficiary, the assets in your WDC account will not have to go through probate, which can be complicated, time-consuming and potentially expensive.

To review and update your beneficiary information – or to designate a beneficiary for the first time – log in to your WDC account and click on the *My Accounts* menu which is located at the top of the homepage. Next, select the *Beneficiaries* link from the *Account Information* menu on the left, and follow the steps provided. For more information or to have a beneficiary designation form sent to you, call (877) 457-WDCP (9327) and press 0 to speak to a representative.



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*FDIC Insured Bank Option: Nationwide Bank has declared an annualized interest rate of 1.59% for the first quarter of 2018.\**



\* Certificates of deposit are insured by the FDIC for up to \$250,000 per depositor and offer a fixed rate of return, whereas both the principal and yield of bonds and stocks will fluctuate with market conditions



## The WDC's test drive campaign leads the pack at the NAGDCA Awards

You probably think of the WDC as a program that helps you save for the retirement income you'll want in the future. But did you know that the WDC also has a reputation among industry peers as a great communicator? Recently, the National Association of Government Defined Contribution Administrators – or NAGDCA – honored the WDC with a 2017 Leadership Award for the “Test Drive” campaign promoting the Managed Account service. The campaign materials highlighted the role the Managed Account service can play in building retirement readiness, and encouraged WDC participants to sign up for a free trial – and hundreds did just that!

Preparing you for retirement is the WDC's ultimate goal and winning the NAGDCA 2017 Leadership Award is a testament to our commitment.



## Your online WDC experience just got personal

The next time you log in to your account at [www.wdc457.org](http://www.wdc457.org), you'll probably notice some changes.

The WDC website has undergone some recent upgrades to provide a more personalized online experience. These features include:

- **Estimates on retirement income needs** – When you factor in estimates of your future health care costs and your retirement income needs, you'll be able to see how changes in your savings rate, expected retirement date and investment strategy could affect the bottom line – your retirement income.
- **A more personalized experience** – The new website experience uses your unique information and provides estimates and suggestions on your future retirement income. For an even more complete analysis, you have the option of including any outside assets that you may have acquired.
- **Ideas for the next course of action** – The new website provides suggestions based on your current retirement goals such as saving more, updating your investment choices, rethinking your planned retirement date or desired income level.
- **Comparisons to peers** – Curious about where your savings stand compared to others? The new website offers you a comparison to other retirement savers within your age and salary range.
- **The ability to make changes quickly** – Changes to your savings level, investment choices and other important actions can be made with just a few quick clicks of a mouse. It's as easy as 1, 2, 3.
- **A fresh, new mobile-friendly design** – The new, enhanced website is designed to work from any device. Accessing your WDC account from a smartphone, tablet, laptop or desktop has never been easier.

Take charge of your future today! Log in at [www.wdc457.org](http://www.wdc457.org) and experience these new enhancements for yourself!

**IMPORTANT:** The projections, or other information generated on the website by the investment analysis tool regarding the likelihood of various investment outcomes, are hypothetical in nature. They do not reflect actual investment results and are not guarantees of future results. The results may vary with each use and over time. Healthcare costs and projections, if applicable, are provided by HealthView Services. Healthview Services is not affiliated with GWFS Equities, Inc. Empower Retirement does not provide healthcare advice. A top peer is defined as an individual who is at the 90th percentile of the selected age band, salary range and gender.

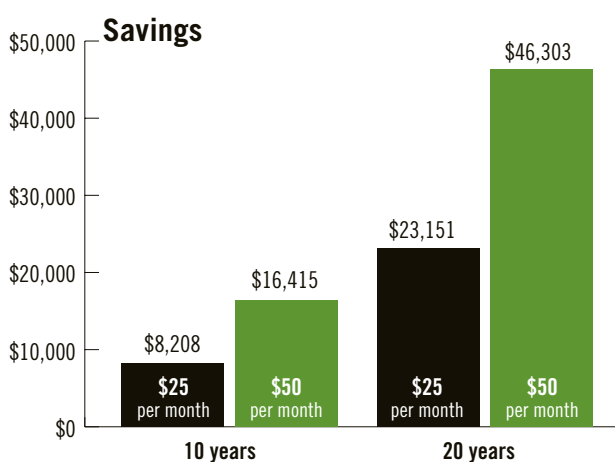
## Even the smallest contribution increases today can help achieve your retirement goals tomorrow

There is no shortage of research showing that most Americans should be saving more for retirement. One recent survey conducted by the Federal Reserve System concluded that approximately 31% of Americans reported having zero retirement savings. Based on this data and other sources, the Center for American Progress (CAP) calls Americans' lack of retirement savings a crisis that "is getting worse over time."<sup>1</sup>

And even among employees who are saving for retirement, the Federal Reserve says contribution rates are falling short. The median retirement account balance among all surveyed households ages 55 to 64 was only \$14,500.<sup>2</sup> By CAP's estimation, after excluding households that had no savings, the median account balance of near-retirement households was only \$104,000.

**The message is clear:** Even if you're saving for retirement through a defined contribution plan like the WDC, you should consider saving more. But for many employees, the prospect of increasing retirement contributions can be daunting. With limited resources and expenses and financial obligations shouldered by most households, how can you put more toward retirement? It's a fair question.

**Good news:** Saving more for retirement doesn't require a big new financial commitment. Just a few dollars more per month, or an increase of, \$25-\$50 for example, can go a long way toward achieving your financial and standard of living goals for retirement.



FOR ILLUSTRATIVE PURPOSES ONLY. This hypothetical illustration to show the value of an increase in contributions and is not intended as a projection or prediction of future investment results, nor is it intended as financial planning or investment advice. It assumes a 6% average annual rate of return, 24 pay periods and reinvestment of earnings, with no withdrawals. Rates of return may vary. The illustration does not reflect any associated charges, expenses or fees that may be associated with your plan. The tax-deferred accumulation shown would be reduced if these fees were deducted.

Wherever you are in your journey toward retirement, it's never too late to increase contributions in a way that can yield major improvements to fund your desired standard of living. The cost today may be a little more than a few dollars per pay period, but the result can be thousands of dollars in additional monthly income when you retire.

Talk to a local WDC retirement plan representative about maximizing your retirement savings today!

## Changes coming in 2018 to the WDC investment lineup

Later this year, the WDC will replace the Calvert Equity fund with the Calvert Index fund. In addition, we will sweep balances in the Vanguard Institutional Target Retirement funds and the Fidelity Contrafund into similarly designed Vanguard and Fidelity Retirement Trusts, which are a type of collective investment trusts – or CITs. Like mutual funds, CITs pool money from multiple investors to create a diversified portfolio, with a specific investment approach and strategy. However, unlike mutual funds, banks or trust companies offer CITs, which are available exclusively to participants in pension or employer-sponsored retirement plans, like the WDC. CITs typically have simpler fee structures and generally lower operating costs than many mutual funds. As a result, the fees you pay with a CIT may be lower than a comparable mutual fund – so more of each dollar you invest could potentially stay in your account.

Another difference is the way investors get information about collective trust funds. A CIT doesn't have a ticker symbol that you can track or a prospectus. Instead, performance history, fund fact sheets and other information on these new CITs will be available on [www.wdc457.org](http://www.wdc457.org).

Watch for more information about these exciting new opportunities in the coming months.



## Enhancing your WDC account security with automated alerts

According to the FBI, the threat of identity theft is “more pervasive and the scams more sophisticated than ever.”<sup>3</sup> To help you protect the security of your retirement account, the WDC and Empower Retirement (the WDC’s recordkeeper) are introducing automatic alerts for the following actions:

- Changes to your personal information, such as an updated address or phone number
- Updates to your username and/or passcode
- The addition of new bank accounts or updates to existing bank information
- Distribution requests

You have the option to activate any or all of these alerts for your account. If you opt in to these alerts, you’ll receive a real-time notification when these actions occur. If you didn’t initiate the action, you’ll be able to contact a WDC representative at **(877) 457-WDCP (9327)** to notify them of potentially fraudulent activity.

To sign up for these text and email alerts, log in to your account on [www.wdc457.org](http://www.wdc457.org) and select your name at the top of the page. Select *Change Contact Information* and make sure you have a current email address and phone number on file.

Periodically, you may also notice other security features and enhanced procedures designed to confirm your identity as you manage your account online or over the phone. These enhancements are part of the WDC and Empower’s ongoing efforts to protect your account and the retirement savings you’re working to accumulate.

For additional suggestions on steps you can take to avoid identity theft, visit the FBI’s website at [www.fbi.gov/scams-and-safety/common-fraud-schemes/identity-theft](http://www.fbi.gov/scams-and-safety/common-fraud-schemes/identity-theft).

<sup>1</sup> “The Reality of the Retirement Crisis,” Center for American Progress, by Keith Miller, David Madland and Christian E. Weller; January 26, 2015.

<sup>2</sup> “Report on the Economic Well-Being of U.S. Households in 2013,” Board of Governors of the Federal Reserve System, released 2014

<sup>3</sup> <https://www.fbi.gov/investigate/white-collar-crime/identity-theft>

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## WDC Contact Information

**Phone Number:**

(877) 457-WDCP (9327)

**Call Center Hours:**

7 a.m. – 9 p.m., Monday-Friday

**WDC Website:**

[www.wdc457.org](http://www.wdc457.org)

**WDC Email:**

[wdcprogram@empower-retirement.com](mailto:wdcprogram@empower-retirement.com)

**WDC Office Address:**

5325 Wall Street, Suite 2755  
Madison, WI 53718

**WDC Office Hours:**

8 a.m. – 4:30 p.m.  
Monday-Friday