

# SIMPLY PUT

Fourth Quarter 2013

www.modeferredcomp.org | 800-392-0925

## Target Date Endurance



Without a target retirement year, Target Date Funds wouldn't work, but it's important to remember that they are designed to not only get you to retirement, but *through* it. In other words, these comprehensive investment options will continue to reallocate your investment mix after you've quit working. Only after 15 years of retirement will Target Date Funds stop reallocating, at which point a fund is eliminated and its assets are transferred to the Missouri Retirement Allocation Fund.

## Getting to Know Target Date Funds

*Target Date Funds are the deferred compensation plan's default investment option, but do you know how they work or how they can simplify your retirement strategy?*

As of November 2013, over 36% of the Plan's assets were held in one of our 13 Target Date Funds. Introduced to the Plan in 2009, these funds are designed to be a comprehensive investment option that target a specific year of retirement. You simply choose the *one* fund closest to your retirement year and an experienced portfolio team will guide your investments to and through retirement by investing more aggressively in the early years and more conservatively as you approach your "target" retirement date. Figure 1 below illustrates that strategy at work in the Missouri 2040 Fund. The funds are managed by investment professionals and adjust automatically; however, we still encourage you to understand how they work and how they may fit your personal situation. Here are a few key points to remember:

- **It's not necessary to invest in multiple Target Date Funds.** Depending on your personal situation and goals, a single Missouri Target Date Fund can be a comprehensive fund option based on your anticipated retirement date. Mixing multiple Target Date Funds could have a negative impact on your retirement strategy.
- **You are not required to choose the Missouri Target Date Fund closest to your retirement year.** You can choose the fund that matches your

risk tolerance. Generally speaking, the higher the Target Date Fund number, the more aggressive (and volatile) that fund is.

- **Target Date Funds do NOT eliminate risk.** Target Date Funds are diversified to minimize market risk, but just like any other investment in the market there's no guarantee your assets will grow or be protected from a market downturn.
- **A Target Date Fund is not the same as a single stock or bond fund.** Therefore, it's inaccurate to compare the investment performance of a Missouri Target Date Fund to the performance of one single stock or bond fund. Target Date Funds are made up of multiple components (including stocks, bonds and other diversifiers) working together to provide a complete portfolio solution. A single stock or bond fund possesses different objectives and risk profiles and cannot provide a complete portfolio solution on its own.

Visit the Missouri Target Date Fund microsite at [www.alliancebernstein.com/mosers](http://www.alliancebernstein.com/mosers) for more information on this custom investment option.

*Past performance does not guarantee future results. You should consider the investment objectives, risks, charges and expenses of the Missouri Target Date Funds carefully before investing.*

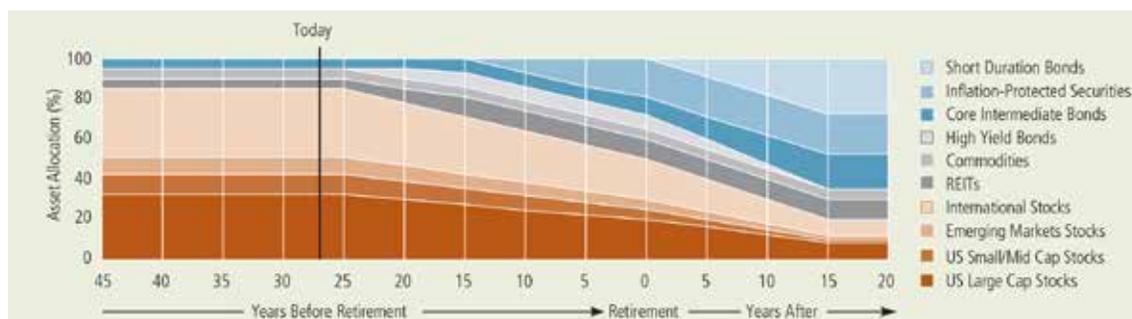


Figure 1. This chart for the Missouri 2040 Fund depicts how assets are allocated now and in the future as a participant's career evolves.

## CALENDAR

The New York Stock Exchange is closed:

Monday, January 20, 2014

Monday, February 17, 2014

Friday, April 18, 2014

## 1099-R Tax Forms Update

If you withdrew money from the deferred compensation plan in 2013, your 1099-R tax form will be available online the fourth week of January 2014. Per IRS requirements, the forms will also be mailed no later than January 31, 2014. To view your 1099-R online, log on to Account Access at [www.moddeferredcomp.org](http://www.moddeferredcomp.org), click **View Transaction History** in the left menu under the **My Account** tab, and then select your 1099-R from the **Statements and Confirms** section. Please look over your forms to ensure the information is correct.

### 2014 Contribution Limits Maximum Annual Contribution \$17,500

**Total including Age 50 and Over Catch-Up**  
\$23,000

**Total including Pre-Retirement Catch-Up**  
\$35,000

You **may not** use both catch-up options in the 457 Plan in the same year and must use the option that lets you defer the greater amount.

To learn more about eligibility or participate in one of these provisions, call the Plan Information Line at 800-392-0925.

For important news, savings tips and more:

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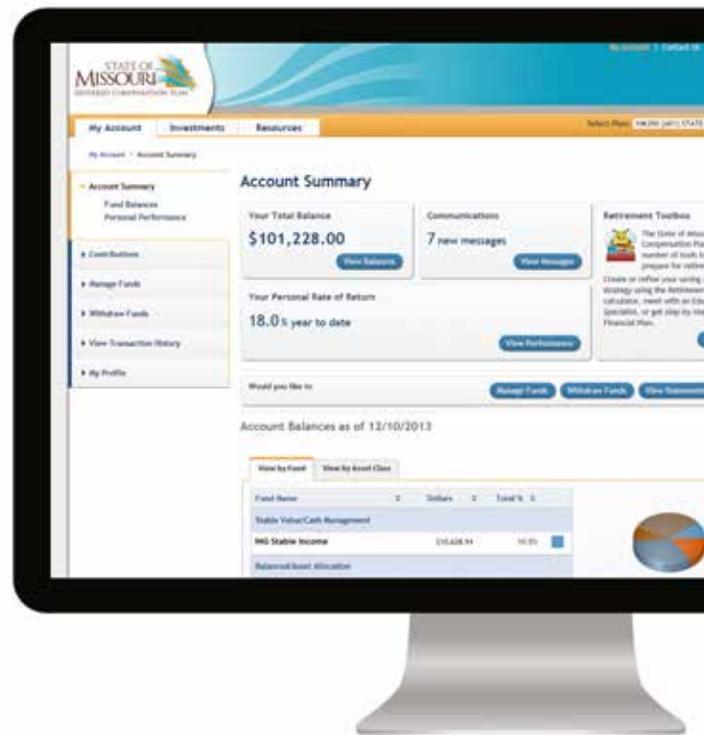


# The New Look of Account Access

Account Access — the secure online account portal maintained by the Plan's record keeper, ICMA-RC — was recently redesigned with a fresh new look and improved navigation. Launched at the end of November 2013, the improved website boasts a clean interface and dramatically simplified transaction screens, resulting in a website that enhances.

Account Access lets participants complete a number of online transactions with a few clicks of the mouse. The most common requests include:

- Adjusting contribution amounts and types (flat-dollar or a percentage of pay)
- Choosing or adjusting investment options
- Adding or updating beneficiary designations
- Transferring assets between funds
- Withdrawing money (for participants eligible to receive distributions)
- Registering for seminars or consultations
- Signing up for financial planning services



### New to Account Access?

Visit [www.moddeferredcomp.org](http://www.moddeferredcomp.org) and click on the *Create Your Own Account* button to get started.

## Participant Snapshot — November 2013

The following statistics reflect participant behavior in November of 2013.

**\$4 Million**



Combined savings contributed to the deferred compensation plan for the month.

**32,139**



Number of participants who made a contribution to the deferred compensation plan.

**\$126**



Average monthly contribution amount to the deferred compensation plan.

**522**



Number of individual counseling sessions held across the state during the month.

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