

SIMPLY PUT

Third Quarter 2014

www.modeferredcomp.org | 800-392-0925

Do you Rep-Percent Savings?

Joining the savings revolution is easy:

- Log on to Account Access at modeferredcomp.org, click the **Contributions** button in the left menu, and change your contribution amount from “dollars” to “percent”.
- Once you’ve changed your contribution type, go back to the **Contributions** page and sign up for the auto increase program so your contribution percentage can increase, in as little as one-tenth of one percent (0.1%) increments, on an anniversary date you select.

Savings Movement Sweeps across State

I Rep-Percent Savings. No, that’s not a typo. Instead, it’s become the mantra for Missouri savers who are using percentage-based contributions — instead of flat-dollar amounts — to improve their savings strategy. Beginning modestly in 2012, when percent-of-pay contributions became a new deferred compensation plan feature, this savings movement will take center stage for the Plan’s National Save for Retirement Week celebration running from October 19-25. As of September 1, 2014, 19% of Plan participants were using percentage-based contributions, and the numbers continue to grow. The result is increased savings rates among state employees. This occurs because percentage-based contributions allow monthly deferrals to the Plan to change along with an employee’s salary. Not to be outdone, the Plan’s voluntary auto increase feature ensures that the original percentage deferral an employee designates will increase by an extra percentage he or she specifies (in one-tenth of one percent increments) on an anniversary date each year. In other words, these two features have ignited a savings revolution. Plan participants are excited to stand behind such an important cause. Said one saver, “You can set your percentage so it’s an amount that’s similar to what was coming out of your paycheck before with flat dollar savings, but if your salary changes, your contributions will change automatically. How easy is that?”

As the savings revolution gains steam, the real question becomes: Will you rep-percent savings?



Visit modeferredcomp.org to read more about the Plan’s National Save for Retirement Week celebration.



CALENDAR

The New York Stock Exchange is closed:

Thursday, November 27, 2014

Thursday, December 25, 2014

Thursday, January 1, 2015

New Financial Seminar

The Plan is excited to announce a new financial seminar designed just for state of Missouri employees. Aptly named Pocket Change, this 2-hour session will help state of Missouri employees tackle both general financial decisions and state-employee-specific savings topics in a fun and unique way. The session agenda includes a brief description of your retirement income sources, tips on budgeting, ways to be an educated buyer, and in-depth information on investing as a state of Missouri employee. All attendees will leave this session with a personalized ‘road map’ that will help them make informed financial decisions now and in the future. This session is available via special HR request only. Contact your human resources representative in 2015 to bring this seminar to your agency.



Pocket Change Topics:

- Retirement income sources
- Budgeting
- Being an educated buyer
- Investing

Required Minimum Distributions Reminder

Plan participants who are over the age of 70½ and no longer working are required by law to begin receiving required minimum distributions, or RMDs. For those receiving an RMD who are **not** set up on installment payments, your annual check will be issued on December 26, 2014. You should receive the payment in 7-10 business days. As a general rule, RMD payments are subject to a 10% federal tax withholding. Please contact the Plan Information Line at 800-392-0925 prior to December 26th if you wish to make an alternative tax election.

For important news, savings tips and more:



Protect your Little Goblins: Designate Beneficiaries this Fall

Halloween is a great time for kids — and maybe even parents — to dress up in ghoulish costumes and parade around the neighborhood. Even scarier than this season's frightening outfits is the thought that your account balance with the deferred compensation plan may not be distributed according to your wishes in the untimely event of your death. While no one likes to think about end-of-life decisions, designating primary and contingent beneficiaries for your account could be the smartest thing you do this fall — besides leaving that polyester disco costume in your closet! If you fail to designate a beneficiary, a probate court could ultimately decide how your account balance is distributed.

To designate beneficiaries, log on to Account Access at modeferredcomp.org, click on the **My Profile** button in the left menu, and choose **Beneficiaries** from the submenu. Click on the **Add Beneficiaries** button to designate beneficiaries for the first time, or click on **Update Beneficiaries** to adjust your current designations. Follow the prompts to complete the designation. You will receive a confirmation notice highlighting your updated beneficiaries.



REAL PEOPLE, REAL SAVINGS

If you can take that money and set it aside, you really don't even notice it's gone because it's taken out of your paycheck before you get it.

Theresa
Springfield Career Center

Visit modeferredcomp.org to see how other state employees are using the deferred compensation plan benefit.

YPN000-001-201409



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