

KDCConnection

4TH QUARTER 2022

Your 2023 financial wellness checklist

KDC cares about your financial wellness. That's why we created this helpful checklist for you as we head into 2023.



Get an account review with your Retirement Specialist. Find your Retirement Specialist on **Page 4** of this newsletter, and ask about our FREE financial planning service. You can also schedule an appointment online with your local Retirement Specialist [here](#).



Register for a KDC webinar to help make decisions about managing your money and planning for retirement.



Set up an online account if you haven't already. With online access, you can quickly and easily monitor your account whenever you want.



Review your beneficiary designations to make sure they're up to date.



Increase your contribution and save even more. See the new IRS contribution limits for 2023 on **Page 2** of this newsletter.



Read KDC's emails sent from the Personnel Cabinet.



Stay up to date with KDC program enhancements and services at kentuckydcp.ky.gov. See **Page 3** of this newsletter for news about our 2023 Financial Wellness program!

IRS significantly increases annual retirement plan contribution limits

Effective January 1, 2023, the following maximum contribution limits for the 457(b) and 401(k) plans are as follows:

Contribution category	Annual amount ¹
Regular Deferral Limit	\$22,500
Age 50-Plus Deferral Limit	\$30,000
Special 457(b) Catch-Up	Up to \$45,000

We recognize that not everyone can afford to contribute to the maximum limit. However, even a little bit more could help you cross the finish line in better financial condition for retirement.



We can help you determine how much more you may be able to contribute

Contact your Kentucky Retirement Specialist listed on **Page 4** of this newsletter or call 1-800-542-2667 anytime Monday through Friday between 8 a.m. and 11 p.m. ET.

¹ "Retirement Topics - 457(b) Contribution Limits," <https://www.irs.gov/retirement-plans/plan-participant-employee/retirement-topics-457b-contribution-limits> (accessed Nov. 7, 2022).

7 tips for protecting your online accounts

1. Register your accounts and keep your contact information current.

In addition to your contact information, add emails and your mobile number, if available, to help ensure that you can be contacted with proactive security alerts or in the event of suspected unauthorized activity.

2. Use multifactor authentication when possible.

It's harder to hack a mobile phone than an email account, so consider using a text message for multifactor authentication rather than email.

3. Protect your personal and financial information.

Never share your usernames, passwords, personal account information or device authentication with anyone, including your family members or friends. Secure these, and keep them confidential.

4. Review your accounts and respond to security alerts.

Review your account information, credit reports and Social Security statements, and notify the provider immediately of any unauthorized account activity. Be sure to also review security alerts and contact your account's customer service center immediately if you suspect unauthorized activity. Security alerts are used to validate account activity with you.

Visit our new Walk-In Office

If you live near Frankfort or plan to be in the area, stop by our newly enhanced Walk-In Office for an in-person, one-on-one meeting with one of our Retirement Specialists. The Walk-In Office is open 8 a.m. to 4:30 p.m. ET Monday through Friday and is located on the first floor (lobby level) at 501 High Street in Frankfort.



5. Increase login protection and keep device updates current.

Use strong and unique passwords that use a combination of uppercase and lowercase letters, numbers and special characters on your accounts. Immediately reset your password if you think it's been compromised. Keep your devices, operating systems, web browsers and applications current. Maintain up-to-date antivirus, anti-malware and firewall software on your computer.

6. Look out for suspicious emails, texts and phone calls.

Do not reply to suspicious requests for your personal or financial information; go to the root source instead. You should provide account information only through your account's customer service, the secure website or their mobile application. Be vigilant about current potential scams. Scammers try to persuade you to give up your personal, bank or credit card information, as well as money or property. They may also offer you money with the intent of gaining

access to your financial bank account information.

7. Eliminate the paper trail and sign up for e-delivery when possible.

Online delivery ensures authentication when receiving statements and account information. It's also the fastest way to receive and review documents as soon as they're available.

Nationwide Account Pledge is our commitment to help protect you if fraud happens. If a distribution from your account happens due to a failure of a Nationwide® control and is promptly reported, we will restore the unrecoverable amount of the unauthorized withdrawal from the date of the original transaction.

New interactive Financial Wellness tool coming in 2023

What should I do with my finances? How can I make investments? What should I focus on first? If you've ever asked questions like these, our upcoming interactive Financial Wellness tool can help. You can set goals for every stage of your retirement readiness journey and take steps to make progress along the way.



In the meantime, take advantage of our FREE Financial Planning Program, available to all participants. Contact your Retirement Specialist for details.



Be on the lookout for the launch of this easy, simple and fun tool to jump-start your personalized financial wellness journey.

YOU HEARD IT HERE



KDC congratulates and thanks long-time KDC Board member and Chairman

After an illustrious career in Kentucky State Government, Edgar Ross recently announced his retirement. For over 30 years, Ross served as the State Controller for the Commonwealth of Kentucky and lent his financial knowledge and years of experience to the leadership and oversight of the Kentucky Deferred Compensation Program. A graduate of the University of Kentucky, Ross is past president of the National Association of State Comptrollers and was an active member of the Nationwide Association of State Auditors, Comptrollers and Treasurers; the National Association of State Comptrollers; the Government Finance Officers Association; and the Association of Government Accountants. Thank you, Chairman Ross, and best wishes from KDC!



New quarterly statement design

Our new quarterly statement design began with statements for 3rd Quarter 2022. If you have questions about your statement, contact us at 1-800-542-2667.



Asset fee holiday ends

As a reminder, the 2022 asset fee holiday that ran from April through December 31, 2022, has ended. Asset fees will be assessed beginning January 1, 2023.



New Roth 457(b) investing option

A Roth 457(b) investing option was added to the KDC program in 2022. Ask us about all of the ways to invest with KDC.



The key to long-term growth: time in the market (not market timing)

Time in the market, not market timing, is a more strategic investment approach for most investors. But when market volatility is high, investors often try to predict the highs and lows of the market in an attempt to avoid loss of account value. But no one can predict how the market will perform.

Historically, a buy-and-hold approach has generated higher gains over the long term rather than trying to perfectly time when to enter or exit the market. The key to long-term growth is to invest in the market over the long run rather than trying to guess the best and worst days.

All investing is subject to risk, including possible loss of the money you invest. Asset allocation and diversification do not guarantee to make a profit or protect against loss.

Before investing in any fund, please consider its investment objectives, risks, charges and expenses carefully. The fund prospectus contains this and other important information about the investment company. Prospectuses are available by calling 1-800-542-2667 or 502-573-7925.

Investments in target retirement funds are subject to the risks of their underlying funds. The funds are designed for investors expecting to retire around the year indicated in each fund's name but are based on a retirement age of 65. Investors who plan to retire significantly earlier or later may want to consider a fund with an asset allocation more appropriate to their particular situation. An investment in a target retirement fund is not guaranteed at any time, including on or after the target date.



Holidays KDC Offices closed

- MONDAY, JANUARY 16: MARTIN LUTHER KING JR. DAY
- FRIDAY, APRIL 7: GOOD FRIDAY

Actions of the Board of Trustees

At the regularly scheduled quarterly meeting on December 16, 2022, the Authority Board of Trustees (Board) took the following actions:

- Approved the amended minutes of the September 23, 2022, regular meeting, as submitted;
- Approved the motion for Mr. Kellinghaus to be voted in as new Chairman of the Board;
- Accepted the CLA clean audit report for 2021;
- Approved proposed 2023 General Assembly legislation;
- Approved Amendment No.3 to the Investment Management Agreement (Stable Value) and Amendment No.2 to the Nationwide ProAccount;
- Set the next quarterly meeting date for Friday, March 10, 2023, at 10:00 a.m. as a virtual meeting with the physical location in the Edgar C. Ross Boardroom at the State Office Building, 501 High Street, Frankfort, Kentucky.

Field Retirement Specialists



NEIL ARNOLD
859-806-2211
joshua.arnold@nationwide.com



JOHN KNAUSZ
606-205-8130
knausjl@nationwide.com



JAMIE CORBETT
859-229-9774
corbejl@nationwide.com



MARY HOLT
859-420-3204
holtm17@nationwide.com



SHAWN DRAKE
859-221-2149
drakes2@nationwide.com



MARTIN WILHOITE
859-248-0565
wilhoc2@nationwide.com



BRENT MUSIC
859-230-3500
musicb1@nationwide.com



LESLIE HOLLERMAN
502-544-1211
hollel2@nationwide.com

Frankfort-based Internal Retirement Specialists

1-800-542-2667, option 4

We are available to assist you by phone or in person Monday through Friday, 8 a.m. to 4:30 p.m.



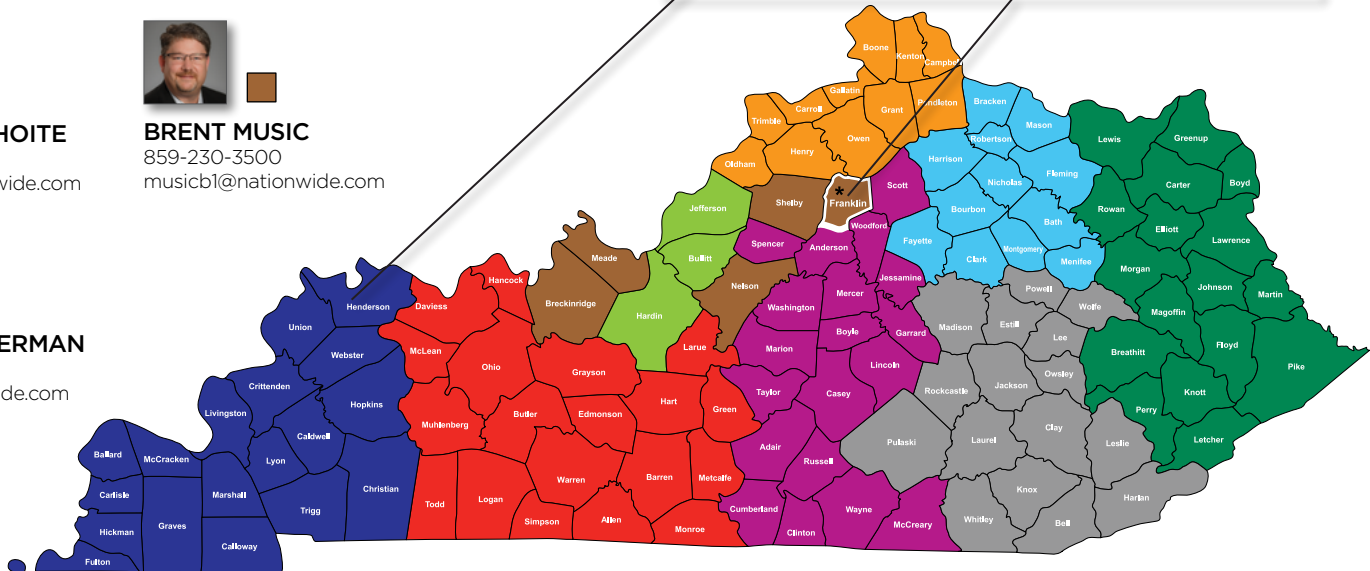
KEVIN HUGHES
hughekl@nationwide.com



PATRICK SCHWENDEMAN
schwejl@nationwide.com



SCOTT HOWARD
howas15@nationwide.com



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Investing involves market risk, including possible loss of principal. No investment strategy or program can guarantee to make a profit or avoid loss. Actual results will vary depending on your investment and market experience.

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