

2nd Quarter 2019

## In This Issue

See what your peers have to say  
about being enrolled in KDC  
Page 1

Consider taking the guesswork  
out of investing for retirement  
Page 2

Updating beneficiary information  
is important. And easy.  
Page 2

Many deferred compensation  
myths aren't true  
Page 3

KDC Retirement  
Specialist Directory  
Page 4

We asked several Kentucky employees to share why they joined Kentucky Deferred Comp. When you watch the short video of their responses, you'll hear several different visions of retirement, each as individual as the person sharing it.

- Jeffrey discusses KDC's options and flexibility
- Dana talks about her confidence for her future
- Jessica offers insights into our personalized service
- Leah explains why, all things considered, there's no reason to not enroll



Use the QR code to watch the video for yourself. Then, consider sharing the video with coworkers who may not have discovered the benefits of KDC participation.



video with coworkers who may not have discovered the benefits of KDC participation.



## We've moved

### Please visit us at our new address:

Kentucky Personnel Cabinet  
Kentucky Deferred Compensation  
501 High Street, 2nd Floor  
Frankfort KY 40601

### Our phone, fax and email contact details will remain the same.

- Call us at **1-800-542-2667** or **502-573-7925** Monday - Friday between 8 am and 11 pm

- Fax documents and questions to us at **502-573-4494**
- Email us at **KYDCP@nationwide.com**
- Contact your local Kentucky Retirement Specialist using the directory on page 4 of this newsletter

# Feel more confident about how your retirement account is invested

Do you sometimes find yourself overwhelmed by choosing investments and maybe even a little intimidated by the process? Would you feel more confident knowing that a respected investment management firm was managing your retirement plan portfolio? Would you feel more comfortable knowing that professionals are making adjustments to your retirement plan portfolio as needed?

## Let Nationwide ProAccount® help.

Nationwide ProAccount is KDC's managed account service, designed to take the guesswork out of investing for retirement so you don't have to do it yourself. Nationwide ProAccount offers:



**Professional investment management to research, select and monitor portfolios**



**Personalized asset allocation, based on your age and personal tolerance for risk**



**Periodic adjustments to your account as market conditions change**

Nationwide ProAccount offers the convenience and experience of professional money management for your retirement plan assets. It's easy to sign up. Just contact us.

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

Nationwide Investment Advisors LLC (NIA) provides investment advice to plan participants enrolled in Nationwide ProAccount. NIA is an SEC registered investment adviser. NIA assesses participants an asset-based fee for the managed account services.

Retirement products are offered by Nationwide Trust Company, FSB, or Nationwide Life Insurance Company. Nationwide ProAccount is a service mark of Nationwide Mutual Insurance Company.

## Is your beneficiary information up to date?

Have you had a recent change in your life that could affect who you have named as your beneficiary? Have you not yet named a beneficiary on your KDC account? Perhaps you now have children or grandchildren and have not updated your contingent beneficiaries.

We like to remind you every so often to update your beneficiary(ies). It is important to name not only a primary beneficiary(ies) but also a contingent beneficiary(ies) as well. You can name as many beneficiary(ies) as you want.

Updating your beneficiary designation is done using a form that can be mailed or faxed. A beneficiary designation form is available on our website, [www.kentuckydcp.com](http://www.kentuckydcp.com), or you can call KDC to have one sent to you.

Decisions regarding beneficiaries may have legal or tax implications. Consider consulting your own counsel before making retirement plan decisions.



## Take time to attend monthly KDC webinars!

As a Kentucky state employee, you can earn 35 go365 points each time you participate in a KDC educational webinar. These webinars take less than an hour and provide valuable information on topics such as:

- Enrolling in the plan
- Budgeting
- Health care
- Social security
- Nearing retirement

These sessions are offered to any eligible employee, so spread the word! Sessions fill up fast, so be sure to register in advance.

To receive credit, you will need to participate in the full session and complete a go365 survey upon completion. Points from the survey are awarded at the end of each month.

Learn about upcoming KDC webinars, and to register, visit [www.kentuckydcp.com](http://www.kentuckydcp.com) and click on the "Events" page.

# MYTHS BUSTED:

## Many deferred compensation assumptions just aren't true

As a participant of the KDC Plan, you're investing for retirement readiness through a tax-advantaged program designed for the unique needs of public workers. Chances are, you already recognize the benefits of Plan participation, but from time to time, we hear retirement-saving myths that should be addressed.

 ***“I plan to retire early but I worry about a withdrawal penalty prior to age 59½.”***

Rest easy. The 457(b) Plan is an option with KDC. **There is no excise tax (10%) penalty for assets withdrawn from a 457(b) plan prior to age 59½ or any other age, once you have separated employment.** For those who are retiring earlier than 59½ the 457(b) may be the right plan for you. Of course, withdrawals of pre-tax contributions and their earnings would be subject to ordinary income taxes.

#### Exceptions:

- Assets rolled into the Plan from non-457(b) qualified retirement plans — such as 401(k), 403(b) or IRA assets — may be subject to a 10% penalty.

 ***“I’m beginning to worry that my pension may not provide enough retirement income for me, but it’s too late to do anything about it.”***

You might be surprised what even a small increase in your contributions to your Plan account could do over time, and the Plan's catch-up options may allow you to contribute significantly more to your account. The income you contribute today could have decades to potentially grow and compound.

 ***“Once I retire, I have to start taking distributions from my account.”***

The beauty of your Deferred Compensation account is the flexibility it offers once you are eligible for distributions. **You DO NOT need to start taking distributions as soon as you retire, unless you are age 70½,** the age at which you must begin taking Required Minimum Distributions of pre-tax dollars. In fact, you can take partial distributions from your account as you need the money. You can change your distribution election at any time or stop your distributions if you wish.

The Plan welcomes the opportunity to help you separate myth from truth, especially with decisions about retirement contributions or withdrawals. We encourage you to contact us any time you have questions about planning for retirement.



**To discuss your options and opportunities through the KDC Plan, contact your KDC Retirement Specialist or call 1-800-542-2667.**

# Actions of the Board of Trustees

At the regularly scheduled quarterly meeting on June 21, 2019, the Authority Board of Trustees (Board) took the following actions:

- Approved the minutes of the March 29, 2019, regular meeting, as submitted;
- Approved the Invesco Investment Management Agreement Amendment No. 2.
- Approved the Vanguard share class change - International Index Fund; resulting in a 3 BPS savings.
- Set the next quarterly meeting date for Friday, August 23, 2019, at 10:30 a.m. in the DEI Training Room at the State Office Building, 501 High Street, 2nd Floor, Frankfort, Kentucky.

For further information on these items, please call William C. Biddle, Executive Director, at 800.542.2667.



**For further information on these items, please call William C. Biddle, Executive Director, at 1-800-542-2667**

## KDC Retirement Specialist Directory



**NEIL ARNOLD**  
859-806-2211  
arnolj7@nationwide.com



**BEKA BOONE**  
502-544-1211  
booner3@nationwide.com



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



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



**CHRIS JONES**  
859-230-0340  
jonec12@nationwide.com



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



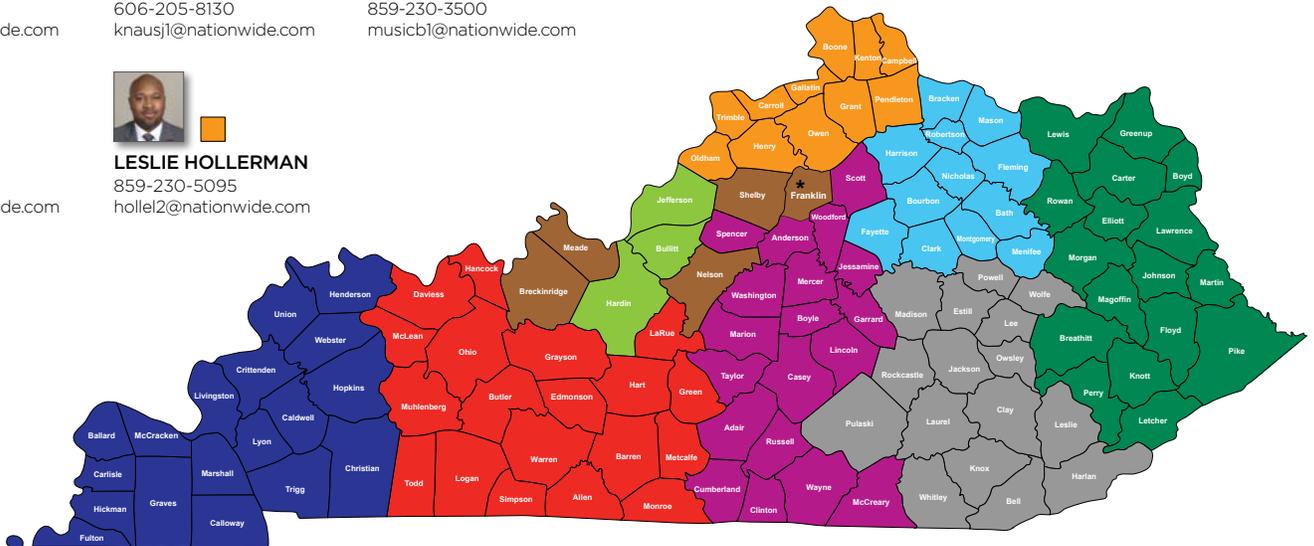
**BRENT MUSIC**  
859-230-3500  
musicb1@nationwide.com



**LORI REED**  
812-430-3095  
reedl27@nationwide.com



**LESLIE HOLLERMAN**  
859-230-5095  
hollel2@nationwide.com



## Calendar of events:

### HOLIDAYS

July 4-5th, 2019  
**Independence Day**  
KDC Office closed

September 2, 2019  
**Labor Day**  
KDC Office closed

**QUARTERLY BOARD OF TRUSTEES MEETING**  
August 23rd, 2019

### EDUCATIONAL WEBINARS

For topics and to reserve your spot, visit the KDC Events page at [kentuckydcp.com](http://kentuckydcp.com)

KDC Retirement Specialists are Nationwide employees and Registered Representatives of Nationwide Investment Services Corporation, member FINRA. KDC representatives cannot offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

NRM-9780KY-KY.26 (08/19)

