

A top priority at KDC is protecting your account data and your privacy.

VOTED
TOP 10

Most Trusted Company
for Privacy*

*by the Ponemon Institute

As the world has become more interactive in recent years, the prevalence of hackers, phishers and other unsavory online actors has grown. However, you can have faith KDC is doing everything it can to protect you and your assets.

Nationwide, as record-keeper of the KDC plans, has earned ongoing recognition for its commitment to security and privacy. But Nationwide does not rest on its laurels. Nationwide is constantly anticipating

issues that might arise and reinforcing their systems to safeguard against it. In addition, Nationwide employs two data centers to greatly reduce the likelihood any single event could take the whole system offline. Thus, you can depend on access to your account through 99.995% uptime per year.

To protect plan and personal information from unauthorized access and use, Nationwide:

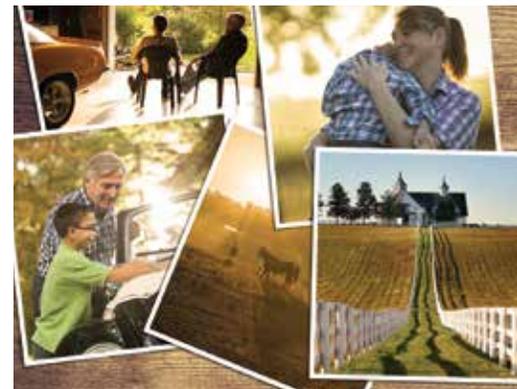
-  Uses measures that include **computer safeguards, and secured files and buildings**
-  **Limits access** to plan and personal information to those who need it to do their job
-  Has taken significant measures to **physically secure their network**

KDC has confidence in Nationwide's commitment to data security and participant privacy. You can as well. But you, too, are responsible for online security and privacy. **Here is what you can do to protect yourself and your KDC account:**

- Never give personal information to unsolicited phone calls or emails
- Never click on email links from any source you do not trust
- Secure your electronics
 - Use strong passwords on your computer, smartphone, and Wi-Fi
 - Change passwords frequently
 - Install a firewall, spam-filtering and anti-virus software

By taking these steps to better secure your online activity, you can be more confident your KDC accounts and personal information are secure.

Journey with KDC towards financial independence.



KDC makes it
easier to save more
for retirement
See page 2 for more details.



Peggy Roberts (left) and Sherry Barnes (right) proudly display the t-shirts they received at the Frankfort Expo.



Comments from Chris

In late September, KDC completed its **2016 Participant Education Expo** campaign with successful events in Frankfort and Louisville. Over 1,000 people attended the Frankfort Expo, while more than 250 braved the inclement weather to join us in Louisville.

In total, approximately 1,800 people attended one of our 4 Expos during 2016. At these events, KDC Retirement Specialists met one-on-one with more than 550 individuals. Over 120 Expo attendees enrolled in KDC, while another 112 increased their deferrals and 27 took action to roll outside assets into the KDC Plans.

At each Expo this year we conducted an Expo Satisfaction survey. Almost 98% of those who answered our survey and had attended the 2016 Expo workshop said the workshop either met or exceeded their expectations. This workshop, Three Keys to Retirement Readiness, featuring Dave Harris of the Nationwide Retirement Institute presenting Social Security — The Choice of a Lifetime, contained information many participants may find of value. We videotaped one of the Louisville workshops, so if you missed Expo this year, or would just like to hear the information again, you can view it at your convenience on our website.

I am very excited about the enhanced My Interactive Retirement Planner features (see page 3 for details). What I like best about this planner is that once you answer the questions posed by the Planner it gives you a projected income in a monthly amount. I do not know about you, but I find it much easier to think in terms of a monthly income stream than a larger, grand-total dollar amount. If you have not tried out the Planner, I encourage you to consider doing so. I found it easy to use and helpful for my retirement planning. The results may also be of value to you.

You may want to ask yourself if you are on track to be able to afford to live The Retirement of Your Dreams. According to an October 30, 2016 article by The Motley Fool, "In 2014, half of adults age 65 or older earned less than \$22,248 from all sources."

How does that sound to you? Have you determined the amount you will need to live the retirement of your dreams? Are you on target to achieve your goal?



Garvis Campbell (KDC Retirement Specialist) reviews John Sutton's account with him at the Louisville Expo.

If you have questions about saving for your retirement, your local Retirement Specialist may be able to help. You can find their contact information on our Retirement Specialists Directory on the last page of this newsletter.

We are interested in hearing your KDC success story. We would love to learn how KDC has been of value to you as you save/saved for retirement. We would like to feature some of these stories in future newsletters. After all, who better to tell how KDC has worked for them than you, the actual participant. For more information, please contact me.

My email address is chris.helvey@ky.gov and I can be reached by telephone, toll-free, at 800-542-2667.

KDC makes it easier to save more for retirement.

Our renewed Auto Increase feature lets you increase contributions to your deferred comp plan account little by little, each year — automatically.

Simply select a date you want your increased contribution to begin, along with a specific dollar amount, or percentage.¹ Once you have chosen an amount or percentage, your contributions will increase each year automatically. Of course, you are always in control of your contribution amount. KDC will give you advance notice of when your annual increase would take effect, allowing you to make adjustments, if you would like to do so.

To Enroll in Auto Increase, log into your account:

- Go to the "Manage My Funds" page
- Click "Manage Your Automatic Contribution Increase"
- Enter the per-pay percentage or dollar amount by which to increase the applicable money source(s)
- Select the month and day you would like the increase to take place each year

For help enrolling in Auto Increase or to learn more about this service, contact your KDC Retirement Specialist or the KDC office.

¹ This feature is available to state government employees only. Contribution changes do not happen immediately. This change will occur as soon as administratively feasible. Ability to designate a percentage is based on employer availability.

Investing involves market risk, including possible loss of principal. No investment strategy can guarantee a profit or avoid loss. Actual results will vary depending on your investment and market experience. Nationwide representatives cannot offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

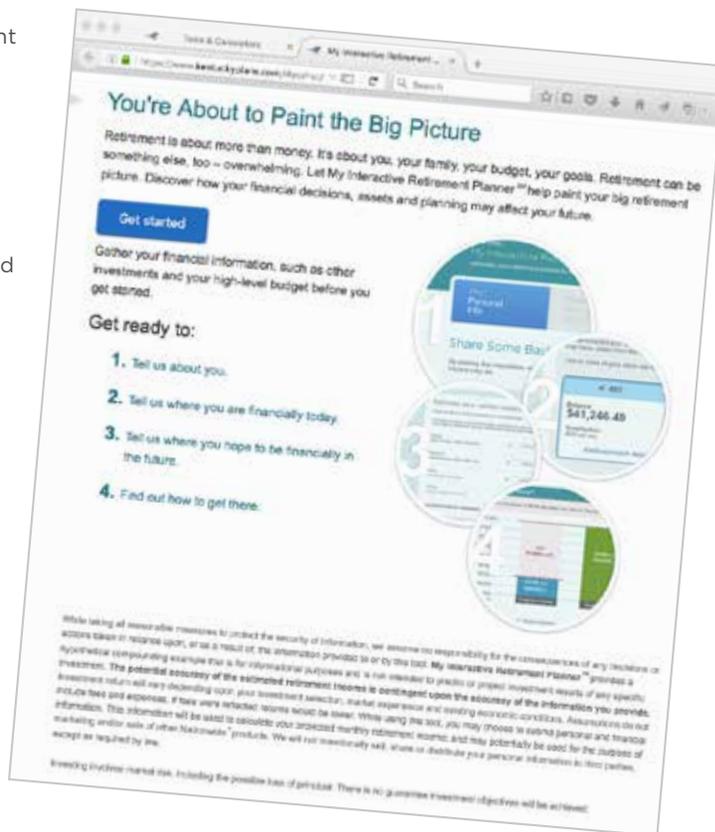
KDC's Retirement Readiness Report helps you see where you are on your journey to retirement.

Your career is similar to a journey. You know your destination, but it is a good idea to regularly see where you are on the path. This is why KDC is enhancing your online account with our new Retirement Readiness tool, Nationwide's latest enhancement to My Interactive Retirement Planner®.

Beginning February 3, 2017, when you log into your account at kentuckydcp.com, you will immediately see a new retirement score, tailored specifically to you. You can then take action to improve your score. Using just four pieces of information you can easily provide — gross annual salary, current years of service, job category, and desired retirement age — **the Retirement Readiness tool gives you:**

- Projected monthly income, including payouts² from:
 - Deferred compensation
 - KRS, KTRS or Judicial Form
 - Social security
- Desired retirement income and projected income gap
- Actionable next steps to resolve your gap
- Retirement Readiness Report as downloadable and printable file

We hope you find value in this new report and gain a better understanding of the steps you need to take towards reaching your retirement goals. Keep in mind, the accuracy of the Report depends upon the information you provide. Entering and saving your information into the My Interactive Retirement Planner tool will create the most precise report, and allow you to track your progress more accurately as you continue on your journey to retirement.



² Unless directly provided, pension and social security income are projections based on other information you have provided KDC.

Retirement plan contribution limits remain unchanged for 2017.

Single Plan IRS Contribution Limits for 2017			
Plan	2017 Maximum Deferrals	2017 Age 50 Catch-up	457 Special Catch-up
457(b)	\$18,000	\$6,000	Up to \$36,000
401(k)/Roth 401(k) Combined Limit	\$18,000	\$6,000	n/a
IRA (Traditional & Roth) Combined Limit	\$5,500	\$1,000	n/a

Combined 457/401(k) Plans Contribution Limits for 2017		
Your Age	Combined 401(k)/457(b) Maximum	Special 3-year Catch-up*
Less than age 50	\$36,000	Up to \$54,000
If age 50 or over	\$48,000	Up to \$60,000

*Remember, a 457 Plan participant CANNOT elect to use the special catch-up and the age 50-and-over catch-up in the same year.

Actions of the Board of Trustees

At its regularly scheduled quarterly meeting on December 2, 2016 the Authority Board of Trustees (Board) took the following actions:

- Approved the minutes of the September 23, 2016 regular meeting, as submitted;
- Accepted CliftonLarsonAllen’s (CLA) Plan Audit Report regarding the Authority’s Plans and Trusts for the fiscal years ended June 30, 2016 and 2015. The opinion rendered by CLA was unmodified, or “clean;”
- Accepted a recommendation from legal counsel to submit all legislative proposals, if any, through the Personnel Cabinet;
- Took an action to pursue a Request for Proposal for external legal counsel services;
- Set the next quarterly meeting date for Friday, March 10, 2017, at 10:30 a.m. at the Authority office, 101 Sea Hero Road, Suite 110, Frankfort, Kentucky

For further information on these items, please call Chris Helvey, Marketing and Communications Branch Manager, at 502.573.9188 or 800.542.2667.

Calendar of events:

Holidays

January 16, 2017
Martin Luther King, Jr. Day
KDC Office closed

April 14, 2017
Good Friday
KDC Office closed one-half day

Quarterly Board of Trustees meeting

March 10, 2017
at 10:30 a.m. ET

Educational Webinars*

January 11, 2017
February 1, 2017
March 1, 2017
at 12:00 p.m. ET

*For topics and to reserve your spot, visit the KDC Events page at www.kentuckydcp.com

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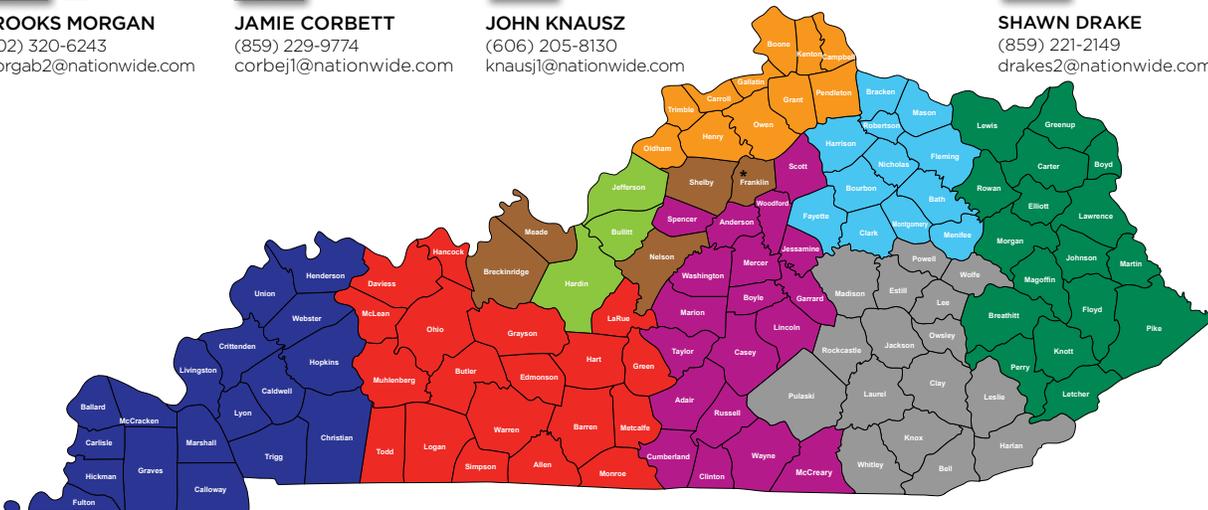
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