

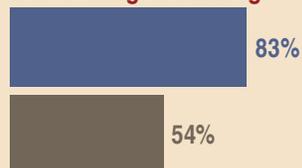
# SIMPLY PUT

Second Quarter 2013

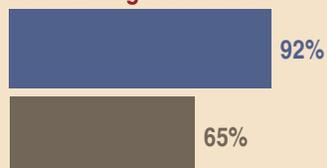
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A financial plan can give you the confidence and know-how to tackle a number of financial goals, including retirement savings. The charts below compare the financial preparedness of those who have a financial plan with those who do not.<sup>1</sup>

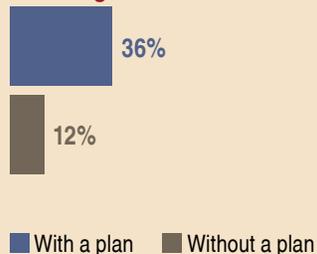
## Have Savings for Emergencies



## Have Savings for Retirement



## Have \$100,000 or More in Savings or Investments



## CALENDAR

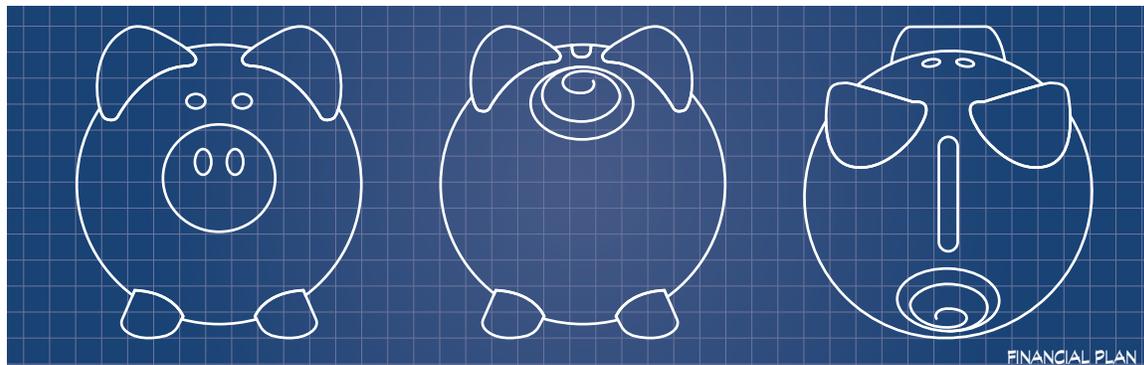
### The New York Stock Exchange is closed:

Thursday, July 4, 2013

Monday, September 2, 2013

## A Blueprint for Success

Renovate Your Savings Strategy with a Free or Fee-Only Financial Plan



According to a 2012 report<sup>1</sup>, over half of Americans who have a financial plan are more likely to feel “very confident” about managing money, savings and investments. The report also indicated that half of the respondents with a financial plan “Have a high feeling of control” over their finances. These findings support the idea that — in addition to time, patience and money — saving for a long-term goal like retirement requires a plan. To help you plot your savings journey, the deferred compensation plan offers both free and fee-only financial planning services.

### Snapshot Financial Plan

This plan is for early to mid-career individuals who want a quick retirement forecast of their savings needs. It requires minimal time to complete.



### Goal-Specific Financial Plan

This plan provides a detailed analysis of one or two financial goals you select, including retirement planning, asset allocation, education planning, major purchases and insurance planning.



(FREE to participants who have over \$100,000 in total account balances with the Plan)

### Comprehensive Financial Plan

This all-inclusive plan looks at several aspects of your overall financial situation. It requires significant effort on your part to provide us with the information we need to develop a detailed project for you.



(FREE to participants who have over \$200,000 in total account balances with the Plan)

## Getting Started

To begin the financial planning process, log on to Account Access and choose **Financial Planning** under the **Planning & Tools** section. Choose the financial plan that's right for you and click the **Proceed** button. Once you complete the form, a *salaried ICMA-RC CFP® professional* will follow up with you by email with more information. You can also email [financialplanning@icmarc.org](mailto:financialplanning@icmarc.org) or contact the Plan Information Line at 800-392-0925.

<sup>1</sup> Source: 2012 Household Financial Planning Survey Princeton Survey Research Associates International

## Auto Features Save Time, Money

Percentage-based contributions and the newly launched auto increase feature are quickly becoming popular options for plan participants. An alternative to flat-dollar deferrals, percentage-based contributions allow you to defer a percentage of each paycheck to the deferred compensation plan. The result is an automated savings strategy that will ensure your contributions grow with your career. The auto increase feature gives you the power to increase your contributions by a percentage that you set on an anniversary date you establish. When combined, these automated savings tools help you stick to retirement savings goals throughout your career. Log on to Account Access and navigate to the **Contributions** page under the **Manage My Account** tab to adjust your contribution type and participate in the auto increase program.

# Consolidating Retirement Savings Accounts

Do you have money in a previous employer's 401(k) or other retirement account? Are you overwhelmed trying to manage multiple accounts, including the investment options, statements, and emails that accompany each? As a participant in the deferred compensation plan, you do have the ability to roll most other retirement account types into the plan (this includes a 401(k), 403(b), IRA, or governmental 457). Rolling other assets into the plan has several advantages:

### Simplified Account Management

Reducing the number of statements, emails, and investment portfolios that you monitor can simplify the retirement savings equation, especially when life and career events require you to adjust your retirement strategy periodically.

### Easier Access to Funds in Retirement\*

By consolidating accounts, you will enjoy a more streamlined withdrawal process once you leave work. This becomes especially true once you reach age 70½ and must begin taking Required Minimum Distributions (RMDs). If you choose not to consolidate retirement accounts, you must monitor the annual withdrawal requirements for each account to ensure you're in compliance.

*\*Because certain account types maintain specific distribution rules, rolled-over amounts may be segregated within the deferred compensation plan.*

### Fees and Investment Costs

Not all retirement savings plans are created equal. Many participants roll their assets to the deferred compensation plan because participation fees and expense ratios on the investment options within the plan are lower than with previous employer plans. We encourage you to examine what you're paying to keep assets in other retirement accounts and compare those costs with what you'll find in the deferred compensation plan.

### Next Steps

To start the rollover process, visit [www.modeferrredcomp.org](http://www.modeferrredcomp.org), click the **Forms** button, and download the *Direct Rollover/Transfer to the State of Missouri Deferred Compensation Plan Packet*. You can also call 800-392-0925 to speak with a participant service representative about your rollover options.

## Plan Participant Snapshot

The following statistics reflect plan participant data as of April 30, 2013.

1,107



**Number of participants using the Roth 457 (after-tax) savings option.**

With after-tax savings, you pay taxes on your deferrals now, but forego taxes when you make qualified distributions in the future.

\$32,589



**Average participant account balance.** It's

important to track your savings progress as your career evolves. Remember, you can roll other retirement accounts and BackDROP (if applicable) into your deferred compensation plan account to help boost your balance and earning power.

\$129.41



**Average contribution amount.** While everyone's

situation is different, the amount you contribute each month can drastically impact your ability to reach retirement savings goals. Visit [www.modeferrredcomp.org](http://www.modeferrredcomp.org) and click on the **RetiremenTrack** button to see how changes to your contribution amount could impact your future savings and paycheck.

56%



**Percentage of participants with beneficiaries on file electronically.** Designating a beneficiary ensures that your

assets will be distributed according to your wishes in the untimely event of your death.

For important news, savings tips and more:



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