



The Kentucky Public Employees' Deferred Compensation Authority

Who are we and who do we serve...

Kentucky Public Employees' Deferred Compensation Authority (KDC) is authorized under the Kentucky Revised Statutes (18A.230 – 18A.275) to provide administration of tax-deferred supplemental retirement plans for all state, public school and university employees, and employees of local political subdivisions that have elected to participate.

KDC is THE OFFICIAL SUPPLEMENTAL RETIREMENT SYSTEM FOR THE EMPLOYEES OF THE COMMONWEALTH OF KENTUCKY, PUBLIC EDUCATION, AND LOCAL PROGRAMS.

KDC and Nationwide® Retirement Solutions (NRS) have worked with public sector employees for nearly 40 years to provide the tools and information to help you feel confident about investing for retirement.





Adapting during a Pandemic

CARES ACT:

All COVID-19 distributions – were returnable with 10% penalty waived (April- June, 2020).

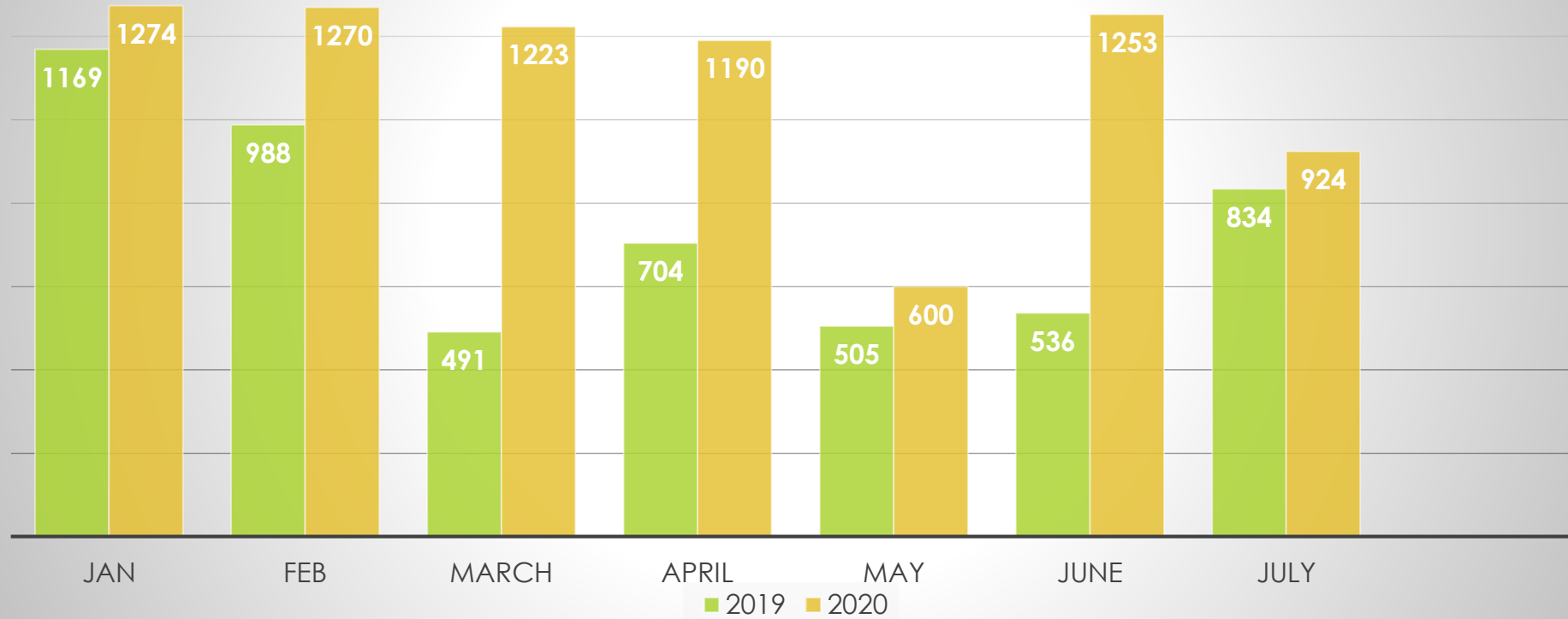
How are we conducting business in a virtual world?

- ▶ There have been **zero** interruptions or delays in services due to COVID-19.
- ▶ Participants requests are being processed electronically online or via telephone.
- ▶ NRS statewide field reps have been trained on GotoMeeting software to conduct virtual meetings with participants using screen sharing.
- ▶ KDC continually implements system upgrades to provide the most efficient operating processes to support the program.



Adoption of services in a virtual world

Teleconference Comparison Chart



Educating Employees and Participants about Financial Wellness Virtually by Conducting Statewide Webinars.

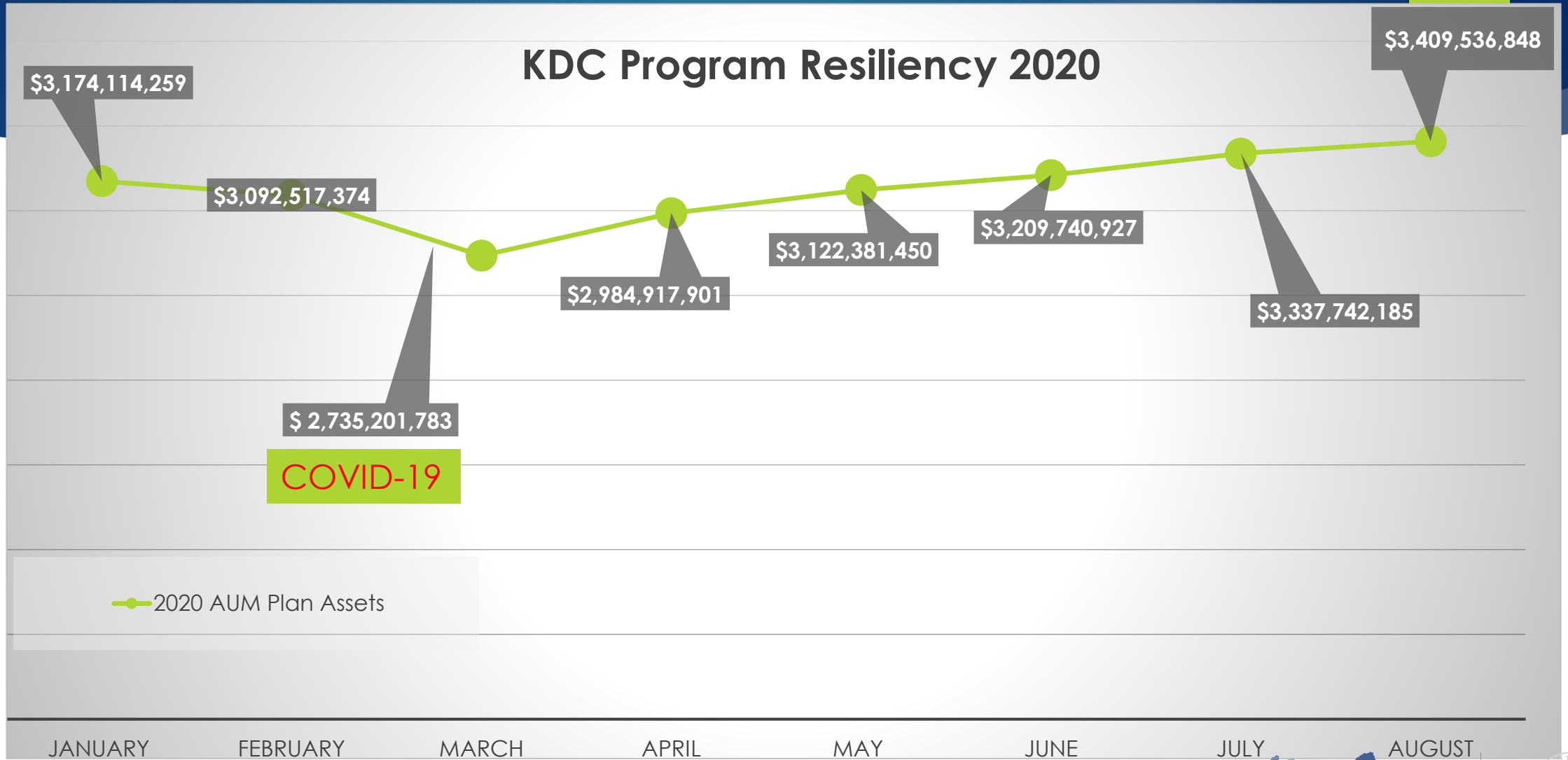


KDC Offers an Interactive Online Participant Portal

- ▶ The interactive virtual experience allows participants to:
 - ▶ Enroll
 - ▶ Make investment changes
 - ▶ Manage accounts
 - ▶ Estimate expenses in retirement
 - ▶ Make distributions
 - ▶ Plan for a long-term investment strategy
 - ▶ Learn about financial wellness



KDC Program Resiliency 2020



*As of 8/20/2020



Auto Enrollment at a glance

Today, Auto Enrollment is as easy as 1, 2, 3...

1

New Hire

- Beginning July 1, 2019, all new employees (FT) hired by the Commonwealth of KY Executive, Judicial and the Legislative Branch will be automatically enrolled in the KDC 401(k) plan.
- All new employees will defer \$15 per pay/\$30 per month on a pre-tax basis.
- Contributions will be invested in KDC's Fixed Contract Fund (interest-bearing account) for the first 90 day opt-out period, the assets will be exchanged and future contributions invested into the Vanguard Target Retirement Fund most appropriate to your age.

2

Your Rights

- You have the right to elect a contribution amount greater than \$30 per month, and can change your contribution amount at any time.
- You can designate beneficiaries.
- You have the right to direct your contributions into any and all of the investment options the KDC Plan offers, and can change them at any time.
- You can terminate contributions at any time.
- You have the responsibility of assuming the risks and fees associated with the Plan.

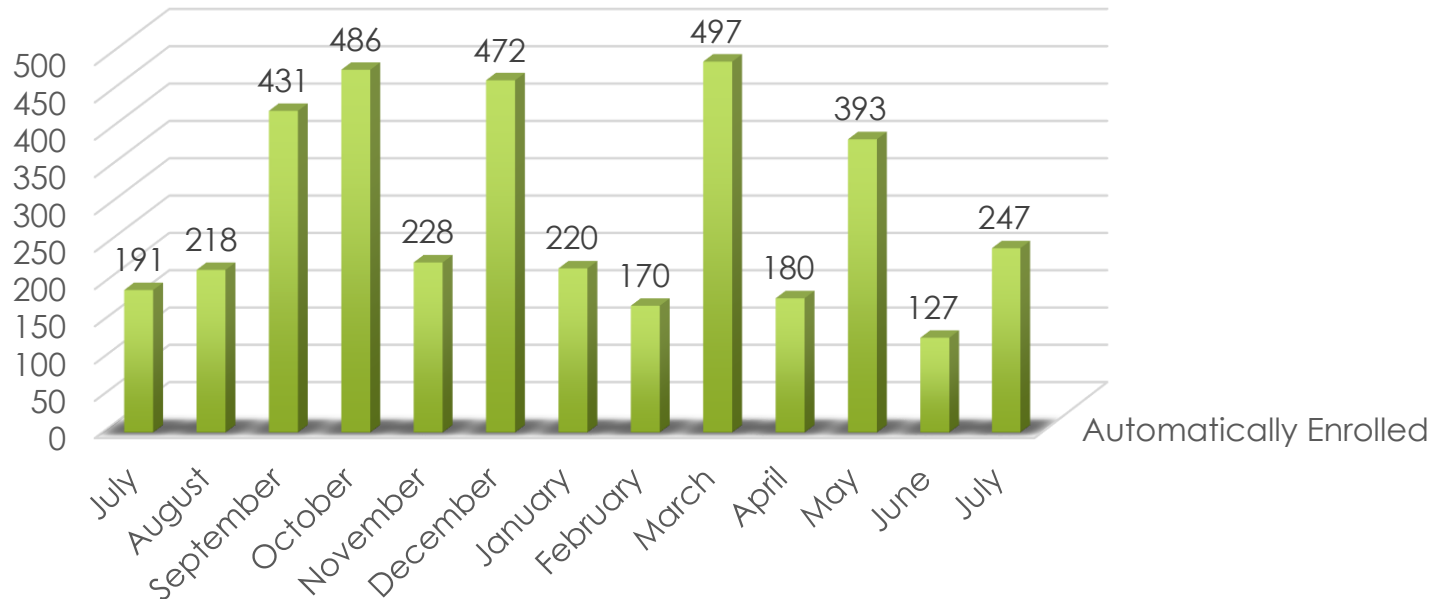
3

Options

- You may be able to claim a retirement savings contribution credit depending on your income and IRS limits.
- After being automatically enrolled, you will have 90 days after your first pay date in which to decide if you want to continue or opt out of the Plan. (If opting out, you will receive a refund of your contributions and the associated interest with no penalties.)
- ProAccount is a managed account service, available for an additional fee, designed to help take the guesswork out of retirement investing.
- Personal retirement consulting offered.

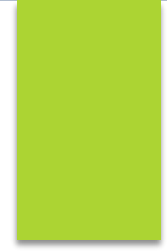
Since inception...

Auto Enrollment Breakdown



Auto Enrollment Success

- Total participants auto enrolled: **3,869**
- An average of: **298/month**
- A retention of **94%** of the automatically enrolled have chosen to invest in their future.



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Thank you!