

# FUTUREfocus



New York State  
Deferred Compensation Plan

A 457(b) Plan for Your Future

News and Strategies for Your Financial Success



## Use October to improve your retirement security

October is National Retirement Security Month (NRSM). NRSM was established by Congress in 2006 to highlight the importance of saving for retirement with the retirement Plans available to them, such as NYSDCP.

Today, 1 in 3 public employees doesn't feel confident in their retirement savings due to factors like inflation and the cost of living, according to a recent survey by the Employee Benefit Research Institute (EBRI).<sup>1</sup>

Planning and saving for retirement can be daunting, but here are some easy steps to get you on the right track:

### **Set your retirement savings goal.**

Experts suggest that you'll need 80% to 90% of your pre-retirement income to maintain your current lifestyle in retirement.<sup>2</sup> Consider using our My Interactive Retirement Planner<sup>SM</sup> tool to help you identify your retirement income needs, sources of retirement income, and how much you may need to save to achieve your goal.

### **Regularly increase your contributions.**

Consider increasing the amount you contribute to your NYSDCP account by 1% every year.

### **Avoid emotional investing.**

When you save for retirement, you're playing the long game. Don't let short-term factors like market volatility and FOMO (fear of missing out) affect your investment strategy. Instead, make changes to your strategy when the reasons for choosing your funds have changed, such as to rebalance your assets as you approach retirement.

Continued on next page

# Use October to improve your retirement security (continued)

## Design your retirement goals.

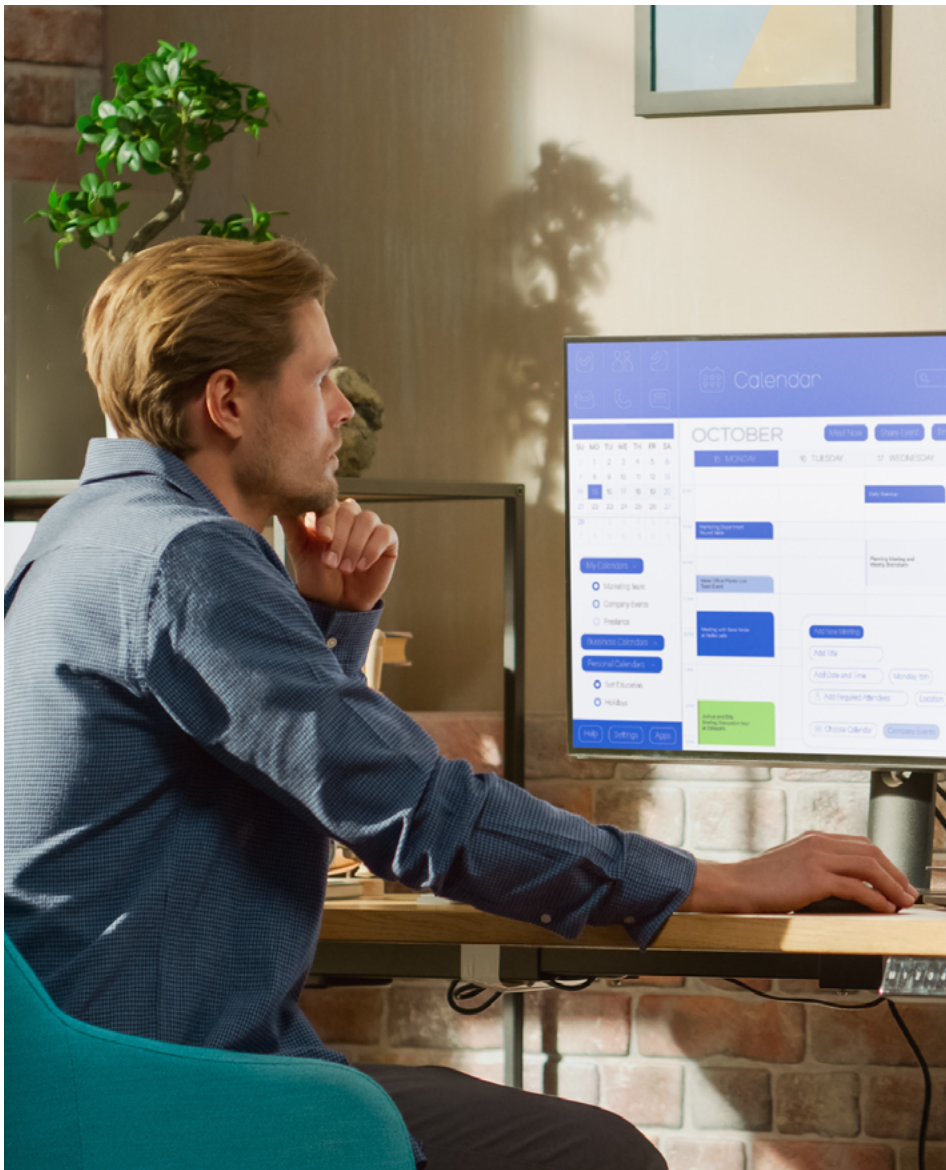
Take the time now to fine-tune your vision of retirement and share your ideas with your life partner to see whether you're on the same page. Adjust accordingly and check in with each other regularly to ensure that you're moving toward the same goals.

Access more resources this **National Retirement Security Month** by scanning the QR code.



<sup>1</sup> 2023 Retirement Confidence Survey, Employee Benefit Research Institute and Greenwald Research (April 27, 2023).

<sup>2</sup> "Taking the Mystery out of Retirement Planning," U.S. Department of Labor, Employee Benefits Security Administration, <https://www.dol.gov/sites/dolgov/files/legacy-files/ebsa/about-ebsa/our-activities/resource-center/publications/taking-the-mystery-out-of-retirement-planning.pdf> (November 2021)



## Learn with us throughout October

Celebrate National Retirement Security Month (NRSM) with us by learning more about factors that can affect your retirement. We have webinars scheduled throughout October on a variety of topics, including:

- **NYSLRS pension** — An overview of the New York State and Local Retirement System (NYSLRS) pension and how it can help provide for your future.
- **Economic overview** — An update on the state of the economy for the second half of 2023, including the outlook for the Federal Reserve, inflation, and upcoming prospects.
- **Asset allocation** — A conversation about the basics of NYSDCP investment options and how diversification can help create an asset allocation best suited for your retirement goals.
- **Social Security** — A discussion about your Social Security benefits, including eligibility, age-based considerations, and benefits adjustments for spouses and divorcees.
- **Pre-retirement** — A conversation about important considerations as you get closer to retirement, including longevity, income sources, asset consolidation, and required minimum distributions (RMDs).

To access our full list of webinars for NRSM, scan the QR code or visit [nysdcp.com/NRSM](https://nysdcp.com/NRSM).





## Take your account security to the next level

October is also National Cybersecurity Awareness Month, an effort designed to help you use easy tools and processes to stay secure online.

NYSDCP strives to keep your account and personal information secure. But you can make your account security even stronger when you play an active role.

Here are a few steps to follow that will take your account security to the next level:

- Create your online account at [nysdcp.com](https://nysdcp.com) to prevent an unauthorized user from doing it first.
- Use strong and unique passwords for all your accounts and change them regularly.
- Accept and install software updates on your devices as soon as possible.
- Secure your NYSDCP account through Account Lock.
  - When you request this extra level of account security, you proactively “lock” your Plan account from distributions until you’re ready to take withdrawals.

If you notice suspicious behavior on your NYSDCP account, call the HELPLINE at 1-800-422-8463 right away.

## You still have time to make a difference in 2023



The year is quickly winding down, but you still have time to finish out 2023 on a high note. Here are 3 actions you can take before the end of 2023:

**1. Increase contributions now** — rather than waiting until 2024 — to help give your investments a little extra time to grow. You can update your contributions at [nysdcp.com](https://nysdcp.com) or by calling the HELPLINE.



**2. Consider using or updating your profile in My Interactive Retirement Planner.** This interactive tool works better when you provide it with as much information as you can and keep it updated. Life events and outside assets can affect your retirement readiness score. Scan the QR code to get started.



**3. You always have time to learn something new** about preparing and saving for retirement through NYSDCP. Scan the QR code below to access our webinars.





## A message for you from the Board

Dear Participants,

The past few years have thrown us multiple curveballs. These challenges have affected many people's financial well-being and confidence in their retirement security.

As we wrap up 2023, we encourage you to join us in celebrating National Retirement Security Month (NRSM) by taking steps to build confidence in your financial future. Take this time to set or review your retirement goals and determine whether you're on track to meet them. We have resources to help.

In October, we also recognize National Cybersecurity Awareness Month. We recommend following the cybersecurity best practices from this issue to better protect yourself and your NYSDCP account.

The Plan is here to support you throughout both your career and retirement. Please take a moment to review the NRSM Plan offerings during this very important month and learn how you may improve your retirement and that of your co-workers.

Diana Jones Ritter

David J. Natoli

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## Changes to contribution adjustment processing timeless

In September, a change was implemented that allows potentially quicker effective dates for your contribution adjustments. SECURE 2.0 allowed the Plan to remove the restriction of effective dates being in the month following the day they were requested. Now, your contribution changes will be effective with the next payroll for which the Plan Administrator can communicate the change to your employer. The amount of time that employers require to process changes varies by employer and will impact the effective date.

### RETIREE CORNER

#### How SECURE 2.0 Act affects retirees and other participants

Enacted in late 2022, SECURE 2.0 builds on earlier legislation that removed obstacles to help you save for retirement and stretch your savings. While some SECURE 2.0 provisions will come into effect over the next several years, one change may have an immediate impact for those in or near retirement.

Under SECURE 2.0, the age requirement to begin taking minimum distributions (RMDs) increased from age 72 to age 73. This change affects all tax-advantaged retirement accounts, including the NYSDCP.

Also beginning in 2024, if you have money invested as ROTH, you are no longer required to take RMDs on that portion of your Plan account.

If you have questions or concerns about how this change may affect you, call AE Connect at 1-844-867-8197.

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This newsletter provides information that is intended to help participants understand what investment alternatives are available to them under the Plan.

If you need investment, tax or legal advice, please ask your accountant or lawyer. While we are pleased to help keep you up to date on your retirement savings, nothing in this newsletter can change the terms of the Plan or any investment contract.

Participants in the New York State Deferred Compensation Plan will be charged administrative fees for the Plan Year beginning April 1, 2023, and ending March 31, 2024. Each participant account is charged a \$20 annual fee, assessed in two \$10 semiannual installments in April and October. In addition, an asset-based fee determined by the Board will be assessed to participants with a balance greater than \$20,000. The asset-based fee will not be assessed on assets in excess of \$200,000. The semiannual asset-based fee to be assessed in April 2023 is .016250%.

Each of the mutual funds offered by the Plan has fund expenses that are netted directly from the mutual fund's daily price. These will vary based upon the investment fund selected.

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