



**Did you know that 93% of Americans prefer that businesses communicate with them in non-traditional ways, including email, text, cell phones, mobile apps and social media?<sup>1</sup>**

**Beginning with your <Month 99, 9999> edition your quarterly participant statement delivery will change from paper to electronic access through your online account via [www.retiresmart.com](http://www.retiresmart.com).**

We'll help you cut clutter, reduce waste and streamline your retirement planning by going digital. Your statement shows your quarterly balances, account activity and investment performance. Online access to them gives you fast, direct access to planning tools while you are checking quarterly account activity. They also reduce concerns about security, access and storage – your statement is always available but only after you log in to your account, which means only you can get to it!

Rather than mailing a paper statement to you each quarter, we will post your statement to your account via our secure website. Your statement will typically be available after the 15th business day of each calendar quarter. Statements are available online, 24/7 for your convenience, and our statement on demand tool lets you view statement data for custom time periods. Your statements will be posted in Portable Document Format (PDF) which requires you to have Adobe® Acrobat® viewer software installed on your personal computer in order to view these documents. This software is available for download, free of charge, from the Adobe® website. If you do not have the ability to access and retain PDF documents on your personal computer, then you should consider receiving paper statements via U.S. mail. At any time, you may request a paper copy of your quarterly statement free of charge. To elect paper, log in to your account at [www.retiresmart.com](http://www.retiresmart.com) and visit the Preferences page, where you can select "Mail Paper Documents." You can also contact your sponsor or call MassMutual at **1-800-743-5274** for assistance. In addition, if MassMutual provides other plan-related disclosures to you, then you will receive one hard-copy quarterly statement automatically.

Do you want to eliminate paper completely, receive other plan-related documents electronically (subject to the provisions of your plan), and get electronic notification the moment your statements and annual notices are posted? Elect our "Email Notification" option by updating your online Preferences, and providing a valid email address, within five business days of the quarter end.

<sup>1</sup> "The Remind Me Generation Study," Nuance Communications, Inc., 2016

© 2016 Massachusetts Mutual Life Insurance Company, Springfield, MA 01111-0001. All rights reserved. [www.massmutual.com](http://www.massmutual.com). MassMutual Financial Group is a marketing name for Massachusetts Mutual Life Insurance Company (MassMutual) and its affiliated companies and sales representatives.



MassMutual Retirement Services  
PO Box 219062, Kansas City, MO 64121-9062

Did you know that leaving your account in the County of San Mateo Deferred Compensation Plan after you retire or separate service from the County may be one of your best options? We've learned that many employees don't realize they have the ability to remain invested in the plan following their separation from service. We want to let you know that there could be some potential advantages to leaving your account balance in the Plan. Here are some things to consider when deciding what to do with your Deferred Compensation Plan account balance:

➤ **457 Deferred Compensation Plans do not have penalties on withdrawals before age 59.5**

If you leave the County or retire before the age of 59.5 and need to take a withdrawal from your account, you will not incur any tax penalties. When taking a withdrawal from other retirement accounts, such as Individual Retirement Accounts (IRAs) and 401(k)s, you may be subject to a 10% penalty for taking a cash distribution before the age of 59.5. 457 plans, like the County of San Mateo Deferred Compensation Plan, are not subject to this 10% penalty.

➤ **Potential for lower fees**

Because of our size, San Mateo County is able to provide a plan with relatively low fees. If you move your money to a vehicle like an IRA, you are moving into an individual product and may face higher fees due to the retail nature of the funds offered. Our group plan has approximately \$375 million in plan assets; this gives the County's Plan the economy of scale to negotiate lower fees with the service providers we partner with.

➤ **County oversight and due diligence surrounding investment offerings**

The County has a Deferred Compensation Committee made up of nine employees from various departments, who share the responsibility of comprehensively reviewing the overall effectiveness of the Plan throughout the year. The Committee has engaged an external third party investment consultant, SST Benefits, to closely monitor the Plan and ensure we are offering high quality, low cost investments.

➤ **MassMutual's SAGIC Stable Value Fund**

Our current contract with MassMutual contains a stable value product crediting 2.98% annualized earnings for the first quarter of 2017. This is an incredibly favorable rate, given today's economic environment. By keeping your account invested in the Plan, you can continue to take advantage of investing in the SAGIC account along with all of the other investment offerings within the plan.

➤ **Continued access to free educational resources**

When you leave the County or retire, you will continue to have access to a variety of resources to help you, such as:

- MassMutual’s local Retirement Education Specialist, Patrick Washington, who will continue to be available to review options available to you to help meet your retirement plan needs.
- MassMutual’s call center representatives who can be reached Monday – Friday 5 a.m. – 5 p.m. PT at **1-800-743-5274**.
- MassMutual’s website [www.viewmyretirement.com/sanmateocounty](http://www.viewmyretirement.com/sanmateocounty), where you can review your account and make changes to your investment offerings.

If you elect to withdraw your account balance by taking a full distribution, your account will close and you do not have the ability to re-open it. You do have the ability to take a partial withdrawal. A partial withdrawal may be a benefit for individuals who would like continued access to the resources listed above.

# 3 WAYS TO MAKE THE MOST OF your Deferred Compensation Plan



## 1 REVIEW your statement preferences

Beginning Quarter 1 2017 (period ending March 31, 2017), participant statement delivery will change from paper to electronic. Rather than mailing a paper statement each quarter, we'll post the statement to your online account. Your statement will typically be available after the 15th business day of each calendar quarter. If you prefer to continue receiving paper statements, log in to your account via [www.viewmyretirement.com/sanmateocounty](http://www.viewmyretirement.com/sanmateocounty), visit the Preferences page and select "Mail Paper Documents."

## 2 REVIEW your investments

When was the last time you reviewed your investment mix? Your investment strategy should be based upon your investment goals, your tolerance for risk and your time horizon for using your savings. Over time, these things may change so it's important to check your strategy periodically. To review and update your investment mix, log in to your account via [www.viewmyretirement.com/sanmateocounty](http://www.viewmyretirement.com/sanmateocounty).

## 3 CHECK beneficiary information

Your beneficiary is the person who survives you and will receive your remaining account balance when you pass away. If you aren't sure who you have listed as your beneficiary or you would like to confirm or change your beneficiary designation, log in to your account via [www.viewmyretirement.com/sanmateocounty](http://www.viewmyretirement.com/sanmateocounty) and visit My Account > Personal Info.

### QUESTIONS?

To learn more about the plan, schedule an individual appointment with MassMutual's Retirement Education Specialist, Patrick Washington, by visiting <http://www.meetme.so/CountyofSanMateo>.

You can also contact MassMutual at 1-800-743-5274 for assistance Monday – Friday 5 a.m. – 6 p.m. PT.



Recently, the County distributed a survey regarding the transition to the new MassMutual platform and ~~fund line~~[fund line-up](#). We requested your feedback on the Deferred Compensation program in the Benefits Newsletter. Roughly 14% of employees completed the survey.

In the results employees generally indicated they liked improvements in education, call center support, the new recordkeeping system, and website technology enhancements. The complete results are available on the County's website at \_\_\_\_\_.

While the overall results were positive, we did see open-ended commentary that focused around a few key themes:

**Education Offerings:** Many employees indicated interest in educational offerings and further communication on the when/where meetings take place. In 2017, we will be working closely with the wellness champions, LSM and payroll council to communicate plan enhancements and resources. You may also ~~visit~~[utilize our online scheduling tool <http://www.meetme.so/CountyofSanMateo>](#) for meeting information and to schedule an appointment with our MassMutual Retirement Education Specialist, Patrick Washington. [Please select the appropriate link below based upon your desired meeting location.](#)



**Fees:** Some individuals responded that fees have increased since we transitioned to the new MassMutual recordkeeping system. Actually, aggregate mutual fund fees were reduced from 0.70% (70 basis points) to 0.42% (42 basis points). (1 basis point is 1/100<sup>th</sup> of a percent.) However, as explained during the transition process, we are using a new process called fee equalization to more equitably distribute the administrative costs to run the program among participants. The administrative fee for all participants is 0.0655% (5.56 basis points). We will continue to review plan and investment fees on a regular basis to minimize fees as much as possible while still having optimal services including website enhancements and educational programs.

**Stable Value (SAGIC) Rate:** We received a number of comments requesting a higher rate of return in the stable value fund. Due to economic pressures, interest rates have been persistently low for some time. Think about your bank savings account rate or even your mortgage rate (if you've bought a home or refinanced over the past few years). Rates today are much lower than they were 10 years ago. Similar pressures are impacting the SAGIC rate. If you are concerned about the lower SAGIC rate, the plan does offer a wide range of investments – stocks, bonds and cash – which you can use to create a well-diversified portfolio. Visit [www.viewmyretirementaccount/sanmateocounty](http://www.viewmyretirementaccount/sanmateocounty) and log in to your account to review your investment mix. You can also schedule an individual meeting with Patrick Washington by visiting <http://www.meetme.so/CountyofSanMateo>.

In closing, thank you for providing feedback to help us improve the Deferred Compensation program. Your perspective and feedback will only help us improve the program. We will communicate with you again in the first quarter of 2017 to talk about new educational programs we will offer.