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Retirement workshop

Benefits at Work 2016

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Retirement employer reporting electronic payments

Tiffany Johnson

Electronic Employer Services (EES)

Electronic payments

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EES electronic payments

- Expanded functionality in EES allows employers to submit retirement payments electronically
- Eliminates paper forms and allows employers to create, edit and submit, monthly and quarterly retirement deposit forms online
- Ability to schedule and submit electronic payments for monthly and quarterly deposits online
- Set up and maintain bank accounts for payment processing

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Who can use EES electronic payments?

- Authorized EES users in agencies that do not report through the Comptroller General's payroll system, including:
  - Higher education
  - Public schools
  - Local subdivisions

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Using EES electronic payments

- Complete *Employer Authorization Agreement* (Form 1286)
- Each user must complete *Electronic Employer Services (EES) Designated Agent Confidentiality Agreement* (Form 6505)
- Payment methods created by authorized users:
  - Account name/nickname
  - Bank account number
  - Bank routing number

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How does it work?

- Multiple bank accounts may be used
- Editing and deleting features available
- Payment scheduling allows for flexible date selection
- View status of submitted deposits and scheduled payments
- Open invoices can be selected for payment or credit on the quarterly deposit form

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Electronic payment benefits

- Convenient, efficient and simple to use
- Deposit forms and payments submitted together
- Eliminates paper forms, checks and postage costs
- Provides date scheduling options for timely remittance to PEBA avoiding mail delays or hand delivery
- Secure transmission
- Available fall 2016

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Questions

- Tiffany Johnson
  Service Accounting
  tiffanyjohnson@peba.sc.gov
  803.737.6849

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Defined contribution plans

Ashley Brindle, PEBA
Nancy Ornduff, Empower Retirement

Defined contribution plans

- Plan overviews
- State Optional Retirement Program (State ORP) changes
- South Carolina Deferred Compensation Program (SCDCP) updates

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Defined contribution plans

- State ORP
  - 401(a) qualified governmental plan
  - Alternative to participation in South Carolina Retirement System (SCRS) for certain employer groups
  - Four third party administrators
    - MassMutual
    - MetLife
    - TIAA
    - VALIC

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Defined contribution plans

- SCDCP
  - Supplemental savings option – 401(k) and 457 plans
  - Administered by Empower Retirement

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State ORP changes

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Plan-level changes

- New vendor contracts starting in fiscal year 2016
  - Investment menus
    - New investment lineup with all four vendor
  - Administrative fees
    - Elimination of revenue sharing
  - Addition of managed account option
- Notice to participants from PEBA
    - February 2016
- Notice to participants from vendors
    - March 2016

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Vendor-level changes

- MassMutual
  - Introduction of new Retirement Education Specialists
    - Charlyne Cottrell and David Bennett
  - Recordkeeping platform change
    - Employer – Total Retirement Center (TRC)
      - https://retire.massmutual.com/trc2/public/login.aspx
    - Participants – RetireSMART
      - www.retiresmart.com
- MetLife
  - MetLife Premier Client Group sold to MassMutual
- TIAA-CREF
  - Name update: now TIAA

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Upcoming change

- Change to State ORP enrollment process
- Current process
  - Enroll with PEBA through EES
  - Separate enrollment with vendor
    - Form 1100M
  - Vendor enrollment form to participant
    - Investment election
    - Beneficiary designation
- Future process
  - Enroll with PEBA through EES
  - Enrollment feed from PEBA to vendors
  - Participant completes enrollment with vendor

S.C. Public Employee Benefit Authority
Retirement Benefits
Retirement Plan Enrollment Confirmation

THIS FORM IS FOR YOUR RECORDS ONLY
DO NOT SEND THIS CONFIRMATION RECORD TO PEBA

Demographic Information

Position Summary

Retirement Plan Information

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SCDCP updates

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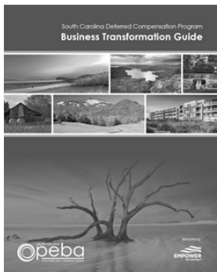
Business Transformation Project

- 73 percent fully compliant as of June 30, 2016
- Compliance required by employers by December 31, 2016



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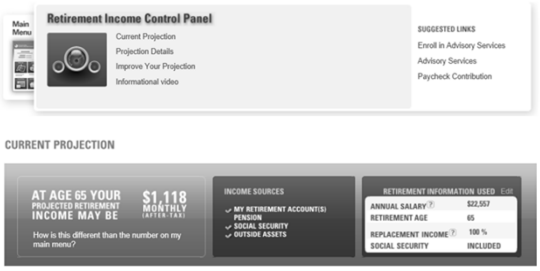
Retirement income control panel



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Dedicated retirement specialist

Rob Seidel
Retirement Specialist
843.870.1688
rob.seidel@empower-retirement.com

Join your dedicated retirement specialist, Rob Seidel, at the following sessions to discuss preparing for your life in retirement, and then learn ways to make your retirement savings last longer.

September 20, 2016

For individuals five years or less from retirement
Kingstree, SC
Williamsburg Technical College
Building A, Room 276 Auditorium
601 Martin Luther King Jr Avenue
Kingstree, SC 29556

10 – 11:30 a.m.

Do not want to wait for one of these sessions? Click here to find your local retirement plan counselor and schedule a one-on-one meeting today.

Representatives of GWFS Equities, Inc. cannot offer investment, fiduciary, financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax advisor as needed. (03/2016) PTK259674

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Managed account service

- 90-day test drive
  - September 1 and November 30, 2016
- No charge for 90 days from enrollment date
- Fee after 90 days -

A quarterly fee is charged based on your account balance, according to the chart below:

Account balance	Maximum annual fee	Maximum quarterly fee
Less than $100,000	0.45%	0.1125%
$100,000—$250,000	0.35%	0.0875%
$250,001—$400,000	0.25%	0.0625%
Greater than $400,000	0.15%	0.0375%

Charged on a tiered basis. For example, if your account balance is $125,000, any amount less than $100,000 will be subject to a maximum fee of 0.45% annually, and the amount $100,000 to $125,000 will be subject to a maximum fee of 0.35%.

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Updated marketing materials

- Available on the SCDCP website
  - Flyers
  - Testimonial video

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Contact information

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PEBA contacts

- Ashley Brindle, Defined Contribution Manager
  abrindle@peba.sc.gov
  803.734.5902
- Sheila Pinckney, Defined Contribution Unit
  spinckney@peba.sc.gov
  803.737.6846

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State ORP contacts

- MassMutual
  - Dina Scirpo
    Account Manager
    800.637.6444
    ext. 59437
- MetLife
  - David A. Johnson
    Workplace Sales
    Director
    980.949.4249
- TIAA
  - Greg Diagonale
    Relationship Manager
    877.267.4505
    ext. 255224
- VALIC
  - Mandy Yelton
    District Admin Assistant
    800.647.4416

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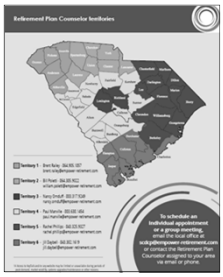
SCDCP contacts

- Business
  Transformation Project
  inquiries
  - Caryn Davis
    303.737.3036
  - Sheila Perkins
    303.737.6562
- Plan service center
  inquiries
  - Plan technical support
    800.695.4952



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Retirement updates

George Hazin

Retirement awareness

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Retirement awareness

- *Be aware and prepare* series
  - Presentations
  - Animated videos
- Field Services seminars
  - Pre-retirement
  - Early- and mid-career

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Be aware and prepare series

- Planning for Your Future, Part One: Creating a Budget
- Planning for Your Future, Part Two: Setting Financial Goals and Building a Financial Safety Net
- Saving for Your Future
- Investing for Your Future

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Animated videos

- Budget pitfalls

- Financial safety net

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Field Services seminars

- Early- and mid-career
  - Identify potential sources of retirement income
  - Understand PEBA retirement plan benefits
  - Stay connected with PEBA throughout career
- Pre-retirement
  - Includes PEBA retirement and insurance, Social Security Administration and S.C. Deferred Compensation Program
  - Supported by regional employer locations
  - Attendees register online

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Retirement contribution rates

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Three sources of income

- Three sources of income for the Retirement Systems trust funds from which benefits are paid: investment income, employee contributions and employer contributions
- If any source of funding is reduced, the other sources must be increased, or benefits reduced, to keep the Systems sound

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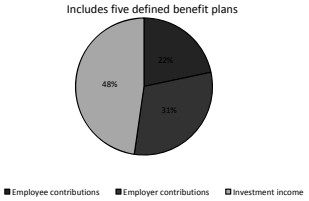
Three sources of income

Additions to PEBA's Pension Trust Funds 2005-2014

Includes five defined benefit plans



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Contribution rate increases required

- Investment return for fiscal year 2015 was 1.6 percent, or $1.5 billion short of the expected investment return of 7.5 percent
- PEBA Board of Directors approved a 0.5 percent increase in both employee and employer contribution rates for the South Carolina Retirement System (SCRS) and the Police Officers Retirement System (PORS) effective July 1, 2016
- PEBA Board's recommendation was approved by the State Fiscal Accountability Authority at its June meeting

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Experience study

- Completed in February 2016
- An in-depth review and selection of the actuarial assumptions conducted every five years
- This year's study resulted in recommendations for revised assumptions, which will be used for future annual valuations

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Contribution rates

- Contribution increases will take place in the future as a result of the experience study and investment performance if returns cannot meet the assumed rate of return in the future
  - The Systems must be funded within the required 30-year amortization period
- Pending and finalized rates will be published and communicated to employers as early as possible

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We are here to help!

- Field Services assistance
  - Employer trainings
  - Benefits fairs
  - Benefits presentations for employees
- Contact information
  - George Hazin, Field Services Manager
    ghazin@peba.sc.gov
    803.737.6882
  - fieldservices.retirement@peba.sc.gov

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Disclaimer

This presentation does not constitute a comprehensive or binding representation regarding the employee benefits offered by the South Carolina Public Employee Benefit Authority (PEBA). The terms and conditions of the retirement and insurance benefit plans offered by PEBA are set out in the applicable statutes and plan documents and are subject to change. Please contact PEBA for the most current information. The language used in this presentation does not create any contractual rights or entitlements for any person.

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