



**OHIO DEFERRED
COMPENSATION**

OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM

REWARDS

n e w s l e t t e r

OCTOBER 2017

Healthy Tips for a Healthy Retirement!

Start some healthy habits today.



877-644-6457



Ohio457.org



Ohio Deferred Compensation

Use the right tool for the job

Even in retirement, you will face major decisions that can impact the rest of your life. Ohio DC offers several tools that can help you make these types of decisions when the time comes. These tools can be found on our website at Ohio457.org under the Resources tab. After selecting the Resources tab, choose the Use Financial Calculators link.



The Interactive Retirement Calculator

This calculator can be used to compile estimates for future social security and pension payouts, while also allowing you to add information about all your supplemental savings. The calculator will generate a report on your current situation. This report can help you understand how payouts from your supplemental savings will impact your retirement income.



My Health Care Estimator Tool

If you are currently covered by a spouse for healthcare, and are interested in learning what type of expense you might expect for health care, the My Health Care Estimator is a great place to start.



Asset Allocation Tool

If you are thinking about making changes to your investment options, you might want to start by using our Asset Allocation Tool. This tool can help you better understand your risk tolerance and time horizon, which helps in developing an investment style appropriate for your risk tolerance level. Using asset allocation as part of an overall investment strategy does not assure a profit or guarantee against loss in a declining market.



The College Savings Calculator

If you are interested in helping someone save for college, this calculator can help you understand how much needs to be saved to help meet that goal.

These are just a few of the many tools available on our website. Please take some time to get familiar with all the tools that are available.

Things to consider when opening a new bank account

1. Evaluate service levels: Does the new bank offer all the services you need? Does it have a local bank branch? Many customers want low cost, convenient, local ATMs that are free to use. Is a mobile app for your Smartphone available? If so, does it do all the things you want the account to do? Examples: Bill Pay, money transfers and check deposits are commonly available through Smartphone applications.
2. What are the fees? Are the fees reasonable or avoidable? Are there fees for services you will use frequently? Out of network ATM transactions, mobile App check deposits, etc. If you will repeatedly use services that incur extra charges, it could increase your total fees dramatically. Look for a bank that offers free services for those transactions that are more frequently utilized.
3. What about overdraft charges? This is a big source of bank revenue and additional cost to bank account holders. Is there a way to avoid them altogether by having overdraft protection where money is pulled from a savings account at no charge to cover an overdraft? Some financial institutions will offer warnings or a grace period for you to move money to avoid charges. Look carefully at this charge and fee avoidance if you can.
4. Don't leave an excess balance in your checking account.
5. Are there promotions (cash deposits or gift cards) for maintaining a balance or setting up a direct deposit? What other perks are offered for membership?

This list is not intended to be all inclusive but is a good starting point to spur the evaluation of the merits of one bank account versus another.

Give until it hurts? Maybe you shouldn't.

Retirement is going great and you are blessed with solid retirement account balances and income that covers your expenses and more. You want to help family, friends and charities, but where do you draw the line? It can be hard to know.

- The amount you give should not give you any reservations. If the amount of the gift makes you feel nervous or uncertain, maybe you should reconsider the amount.
- Monetary gifts to family and friends can be a difficult decision. Because we hate to see those we care about struggle, we sometimes give more financial assistance than we can afford.
- Try to maintain some guidelines with your giving. Plan how much you intend to give ahead of time and stay with your plan.
- When in doubt, make sure to give only from excess.
- Ask your partner or trusted friend for their help with the decision to give. They have more emotional distance from the situation and may be able to offer a different perspective.
- Make sure that any charities you choose are charities that distribute much of the money to help people and do not incur excessive cost or expense to manage.

It is a wonderful thing to be able to give to charities or family and friends. Be wary of unscrupulous charities and scams which target retirees and seniors. Giving to others can be one of the most rewarding uses of money. Just don't give until it hurts your own financial situation.

What to do with an RMD

Do you have to take a Required Minimum Distribution (RMD) this year? If you have separated from employment and are turning 70½ in 2017, or are already 70½, you probably know that a RMD withdrawal will be required from your account. Have you thought about what you'll do with the payment? Here are some ideas to consider if you don't have any bills that need to be paid off:

- Buy a CD from your bank or credit union
- Reinvest your payment in an after-tax brokerage account
- Make a donation to a tax-qualified charity
- Contribute to a college-savings fund for a younger family member
- Treat family members to a small weekend trip to connect and spend time together

If you do not withdraw your RMD from your account, we will automatically pay the RMD to you in December. You'll receive a letter in November with additional information. RMD information for 2018 will be provided in fourth quarter statements, which will be mailed in January 2018.

For tax advice or investment advice in the above matters, please consult your tax or investment professional.

CONTACT US:

If you are retired and have not spoken with a Retirement Planning Specialist (RPS), consider setting up an appointment by calling:

 **877-644-6457**

An RPS can assist you with payout options and asset allocation in retirement.

Retirement Planning Specialists are Registered Representatives of Nationwide Investment Services Corporation, member FINRA.

Information provided by Retirement Planning Specialists is for educational purposes only and is not intended as investment advice. Neither Nationwide nor its representatives give tax or legal advice. Please contact your tax or legal advisor for such advice.



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One easy way to keep identity thieves at bay

When it comes to identity theft, we all know to be careful with handing out our personal information, to shred sensitive documents and to use caution when clicking email links. But is there something else we can do to keep tabs on our financial identities? There sure is, and it's free! Checking our credit report is something all of us should do on a regular basis. In fact, we are allowed to access our credit report from each of the primary credit reporting agencies annually, for free. Don't be confused by advertisements using the word "Free" credit report. There is only one website to use, AnnualCreditReport.com. This site provides access to your Experian, TransUnion and Equifax credit reports for free once per year. One tip would be to check one of these reports every four months or so.¹ This way, you can check your credit for anything out of the ordinary on a regular basis, but not have to pay for it. You are looking for any accounts that were opened recently that you don't recognize. You could put reminders in your phone calendar, or get in the habit of checking one of these reports every Easter, Fourth of July, and Thanksgiving. You may be asked if you want to purchase your credit score, feel free to decline this option to save money. Remember, the main objective is to verify that no fraudulent accounts have been opened under your name. If you haven't checked your reports in a while, give it a try today!

¹ www.AnnualCreditReport.com/yourRights.action