



OCTOBER 2019

Now is a Good Time for Participants to Review their Account

As 2019 nears its end, it is a good time to remind your participants to review their retirement account. They may have important things to consider such as: the ability to contribute more to their account for 2019 and going forward, ensuring their investments match their risk tolerance and goals and reviewing their beneficiary information. These are important steps to help participants meet their retirement goals.

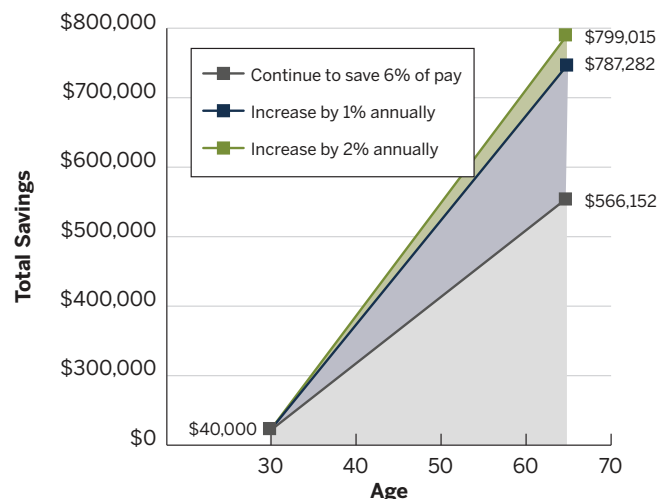
Increase Savings

Most financial experts suggest participants should save 10% to 15% of their income towards their retirement. While circumstances may not allow everyone to achieve that all at once, participants can build towards that goal with smaller annual increases. These annual increases can be tied to a pay increase or bonus payment a participant may receive.

Saving a little more each year can make a big difference down the road for the participant. For example.

- Let's assume they earn \$40,000 a year (before taxes).
- They begin saving at age 30 and get 2% salary increases each year and a 6% return on investments.
- The chart on the right shows how much money they would have if they remain at 6% vs. their account balance if they increase their contribution rate by 1% or 2% each year until they are contributing 10% of their pay.

By gradually increasing their contribution rate, participants can save significantly more for their retirement.



To update their savings rates, participants can navigate to **MillimanBenefits.com** and click on Account Details on the top of the page; then, select Contributions on the left under Account Activity. From there, click Update and make updates to savings rate elections.

Investment Strategy

Another area where the participant should be reviewing is their investment strategy. The Co-op 401(k) Plan offers 17 different mutual funds ranging in risk from a Stable Value

Investment Strategy (continued from page 1)

fund to a Foreign Large Growth stock fund. Participants are free to make their own portfolio based on these funds.

However, over time, the normal fluctuations of the market will cause the allocations of the participant's portfolio to become misaligned with their intended investment strategy.

For example, a participant could elect to have their portfolio split with 30% in bonds and 70% stocks. Over time, the bonds may perform better than the stocks or vice versa. The result may lead to a portfolio that is too conservative or aggressive for the participant's risk tolerance.

To counter this, the Co-op 401(k) Plan allows participants to rebalance their account. Rebalancing means keeping their portfolio mix as close to its original design as possible by periodically buying and selling investments. When the participant rebalances, they have a diversified mix of investments and maintain the risk level with which their comfortable.

Participants in the Plan have two ways to rebalance their account:

1. **Manually.** Rebalance your account at any time (ideally, at least once a year).
2. **Elect Auto Rebalance.** Auto Rebalance is an easy, automatic way to stick to an investment plan, regardless of how the market moves. Participants decide how often they want their account to be rebalanced (every 3, 6 or 12 months).

The Co-op 401(k) Plan also offers participants to take advantage of an investment strategy called InvestMap™. InvestMap is a diversified asset allocation strategy that uses a glide path made of existing funds within the Plan. It uses participants' current age along with their complete life span to chart a long-term course for their future.

Not only does InvestMap's allocations automatically become more conservative over time, they also automatically rebalance every quarter.

Reviewing their investments periodically is important to ensure the mix participants selected is still right for their timeframe and risk tolerance.

Setting up Auto Rebalance is easy at **MillimanBenefits.com**. After logging in, participants will choose Account Details>Change Investments. Then decide how often they want their account to be rebalanced (every 3, 6 or 12 months). they can sign up for email or text reminders to alert them before their account is rebalanced.

Update Beneficiaries

Participants spend years working and saving for their retirement. Another important factor is ensuring those assets go to where they choose in the event of their death. Life events happen — marriages, divorces, children, grandchildren. Each of these events could add or remove someone as a beneficiary.

To review or make beneficiary designations, participants can log on to **MillimanBenefits.com** and click on the Profile Icon in the upper right hand corner and choose Beneficiaries. They will need Social Security numbers and birth dates for whomever they decide to elect.

Upcoming Communications

The table below highlights what is ahead for the 4th Quarter of 2019.

AUDIENCE		4Q 2019
Email Curriculum		<ul style="list-style-type: none">• Year End Considerations• Happy Birthday
Targeted Email Campaigns	Delivers action-oriented messages to participants based on a specific need	Target: Investment Strategies A. Rockbridge Professionally Managed Accounts B. InvestMap Information
	1) Age 2) Plan Feature 3) Income Level	
Targeted Print Campaign		What is Your RISE™ Score?

Co-op Board Election Results

Congratulations to the following for being re-elected to the Co-op Board. Their term starts on January 1, 2020, and will run through December 31, 2022.

District 1: David Neal

District 4: Carl Dickinson

UPDATE

Employee Benefit News for the Cooperative Industry

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