A lot can change in three decades. Back in 1988, the median price of a new home was $112,900.¹ You could drive to the mall (remember those?) and catch *Die Hard* for the first time for about $4² – and the gas to get you there would cost about 96 cents a gallon.³ Odds are that someone you knew (maybe even you) rocked a mullet back then.

The year 1988 was notable for another – more serious – reason. In October of that year, the Pennsylvania State Employees’ Retirement System’s 457 Deferred Compensation Plan (457 Plan) began receiving its first contributions. Like home prices and hairstyles, the 457 Plan has also undergone some changes since that time. Check out the timeline below and inside.

At the start of 2018, the 457 Plan was helping some 54,870 participants save and invest for retirement, with nearly $3.5 billion in assets overall. However, some things haven’t changed. The 457 Plan still offers eligible employees a convenient way to save on a regular and long-term basis to provide for their retirement.

Why not celebrate this landmark anniversary by increasing your contribution amount, checking out some of the educational resources on [www.sers457.com](http://www.sers457.com), or reviewing your asset allocation? Here’s to the next 30 years!

### A Trip Down Memory Lane:

**Pennsylvania State Employees’ Retirement System’s 457 Deferred Compensation Plan turns 30**

- 1987: Legislation establishes the 457 Plan for Pennsylvania
- 1988: October: First contributions received
- 1994: Three new investment options added to the Plan
- 1996: Implementation of voice response unit
- 1997: Direct deposit of benefit payments introduced
- December 1998: 457 Plan launches website
- June 2003: 457 Plan reaches $1 billion in assets
GIVE YOUR RETIREMENT A RAISE!

You might notice a small increase in your paycheck, be it from the recent tax changes or a raise. Consider saving part of this amount to give your retirement a raise! Take this opportunity to use this extra money to increase your paycheck contribution to your 457 Plan. Even a small increase in your contribution of $5, $10 or $20 a paycheck may grow over time to make a real difference in your retirement.

Don’t delay, increase before you get used to having that extra money in your paycheck. Act now to give YOUR retirement a RAISE!

EDELIVERY OF STATEMENTS:
Security, convenience, environmental commitment

Here’s the good news: There are approximately 3 trillion trees on the planet at any given time. That’s more than 400 trees for every person on earth.4

The bad? That’s only about half the number of trees that were here before we came along.

You can help ensure those numbers rise by replacing your quarterly print statements with online documents. eDelivery of statements offers quick, easy and immediate access to plan documents as soon as they become available, providing you with more timely information in a few short clicks. And less paper in your mailbox means more personal security and more trees in the ground.

Log in to your 457 Plan’s website at www.sers457.com, click on your name in the upper-right of the page and update your communication preference to eDelivery to Go Paperless.

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RETIREMENT MILESTONES

Career changes and retirement

Gone are the days when you landed a job and stayed in it for 30 years. Today, it’s normal for people to change jobs several times, or even make mid-life career changes that take them in a whole new direction. No matter where you career takes you, it’s important for your retirement savings to follow.

When you take a new job, you typically have three options:

1. Leave the money in the plan of the company you’re leaving.
2. Roll the money into your new employer’s plan or an IRA.
3. Take the money out in a cash distribution.

While it’s tempting to go with option 3, consider the following:

- **Taxes:** If you take your tax-deferred money in cash, it will be treated as ordinary income. Your plan withholds 20% of the amount you requested and sends it to Uncle Sam to cover the income tax you owe for that year. However, if 20% isn’t enough, you may need to write a check for the difference at tax time.
- **Time:** The more time your money spends in a plan, the longer it has the potential to grow. The dollars you invest when you are 25 could grow for 40 years. If you take the cash and spend it, you may miss out on years of compounding interest.

When you’re ready to change jobs or careers, talk to a financial advisor to make sure your retirement savings stay with you on the journey. You are encouraged to discuss rolling money from one account to another with your financial advisor/planner, considering any potential fees and/or limitation of investment options. Your Retirement Plan Advisor may be able to help answer some of your questions. Call (866) SERS457 to get in touch with your Retirement Plan Advisor today.
FOUR IDEAS TO HELP KEEP YOUR FINANCIAL GOALS ON TRACK IN 2018

You don’t need to wait until the end of the year to review the progress you’ve made on your financial goals for 2018. Now is the perfect time to take stock and see if any adjustments may be needed. Following are four suggestions to get you started.

1. **Get reacquainted with your budget** – How is your budget holding up? Have you drifted away from the good intentions you had at the beginning of the year? Surprise expenses can pop up and your spending and saving priorities may evolve, so take some time to update your budget based on your latest circumstances.

2. **Track your progress on retirement saving** – Are you on pace to reach your retirement savings goal for the year? Don’t wait until the end of the year to consider increasing your contribution. If you are age 50 or older, you may also want to look into the possibility of saving more through the age 50+ catch-up contribution.

3. **Get your portfolio back in balance** – Is the mix of assets in your retirement portfolio still in sync with your chosen asset allocation? Because different funds can perform at different rates over time, your holdings in one type of asset (such as stock funds or bond funds) may not be aligned with your strategy. Your portfolio may be due for a rebalancing to keep your mix of investments consistent with your chosen asset allocation.²

4. **Check in with your credit** – Are you getting the credit you deserve? Creditors, insurers, employers and other businesses use the information on your credit report to evaluate your applications for loans, insurance, employment or renting a home. The three nationwide credit reporting companies have set up a central website – annualcreditreport.com – where you can get a free a copy of your credit report once every 12 months. However, beware of impostor credit reporting sites that may try to sell you services you don’t want or need.

Looking for other ideas? Ask the Retirement Plan Advisors from your 457 Plan for more suggestions. You can also visit www.sers457.com to track your retirement savings and review your investments.

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1. [https://www.census.gov/const/uspricemon.pdf](https://www.census.gov/const/uspricemon.pdf)
5. Empower Retirement Advisory Services is a suite of services provided by Advised Assets Group, LLC, a registered investment adviser.
6. Neither Empower Retirement nor its subsidiaries or affiliates provide tax, legal, accounting and/or investment advice. Please consult your tax advisor or attorney for such guidance.
7. Withdrawals may be subject to ordinary income tax. Withdrawals made prior to age 59½ may incur a 10% early withdrawal penalty. The 10% early withdrawal penalty does not apply to 457 plan withdrawals except for withdrawals attributable to rollovers from another type of plan or account.
8. Asset allocation and rebalancing do not ensure a profit and do not protect against loss in declining markets.