



**NV**

# NDC Basics and Beyond

Financial Education Workshop

your  
retirement



# About the NDC Program

*Your Plan.... Your Future*

**NV** *Your Retirement*

# Nevada Public Employees' Deferred Compensation Plan (NDC)

**We are located in the Nevada State Library and Archives Building**

100 North Stewart Street, Suite 100  
Carson City, Nevada 89701

Phone: (775) 684-3397 or 684-3398

Fax: (775) 684-3399

Online: [defcomp.nv.gov](http://defcomp.nv.gov)

Email: [deferredcomp@defcomp.nv.gov](mailto:deferredcomp@defcomp.nv.gov)  
or [rboehmer@defcomp.nv.gov](mailto:rboehmer@defcomp.nv.gov)



# What is the NDC Program?

- NDC is a *voluntary* tax-deferred retirement savings plan
- The Plan has been adopted pursuant to Nevada Revised Statute (NRS) 287.250 – 287.370, and Internal Revenue Service (IRS) Code Section 457(b)
- NDC is one of your most Valuable voluntary benefits offered to all government employees throughout the State of Nevada and designed to increase your personal savings for retirement
- NDC serves as a crucial and essential supplement to your NVPERS pension or other retirement accounts you may have
- Can help you save the amount of tax you pay bi-weekly, annually, and when you retire. Triple Tax benefit feature



# Who is the NDC Committee?

**Members are appointed by the Governor pursuant to NRS 287.325**

**Matt Kruse, EFFPD- Batt. Chief**

**Jeff Ferguson, Retiree Representative**

**Debbie Bowman, SOS Deputy Director**

**Kent Ervin, NSHE- UNR Chem. Prof.**

**Suzie Chang, GCB**

# What are the NDC Committee's responsibilities?

- Meet quarterly, or more frequently as necessary to:
  - Review investment options,
  - Ensure Plan compliance according to state and federal guidelines,
  - Establish and maintain operational goals, and
  - Develop outreach efforts to various employees and retirees.
- Contract with an outside Investment Consultant to provide:
  - Professional assistance with investment review, research, selection, and compliance audits
- Contract with an outside accounting firm to conduct periodic financial audits of the Plan investments to ensure accuracy
- Contracts with Recordkeeper(s) to assist the program with:
  - Accounting,
  - Delegated Plan Administration,
  - Various Participant Services, and
  - Custodial Trustee Services

# Who is the NDC Administrative Office?

- Executive Officer – **Rob Boehmer**
- Administrative Assistant – **Micah Salerno**
- Part-Time Clerical Trainee- **Lynda Thomassen**
- NDC Administrative Staff oversees & provides all day-to-day administration of the Plan including participant customer service, education, assists in program facilitation, and monitors and evaluates contractor performance and service
- **defcomp.nv.gov & nevada.beready2retire.com**
  - Enrollment Forms & Online Enrollment
  - Investment information
  - Administrative Forms
  - Plan Information
  - Plan Governance Information
  - Account login portal



# Who is NDC's Contracted Recordkeeper?

- We set up all our participant accounts through a contracted Recordkeeper and contract with them to provide recordkeeping services
- Assist with Plan Administration under the direction and delegation of the Executive Office.
- The Plan's recordkeeping, compliance, and administrative costs are paid for by participants.
- Our adopted cost structure allows NDC participants to keep a greater proportion of their investment dollars by applying the same cost regardless of the investment options they chose.
- It also ensures that the cost of administering the Plan is shared equitably by all participants.







# Saving for retirement

# Saving for retirement with the NDC Plan

## Saving in the NDC Plan is voluntary and can be changed at any time.

- Minimum contribution is \$35.00 per bi-weekly pay period or \$70.00 a month up to the annual IRS contribution limit
- [Annual Contribution Limits](#) (Click links to see current Contribution limits)
  - Contribution limits are set annually by the IRS and can change year-to-year
  - Visit [voya.com/irslimits](http://voya.com/irslimits) for updates to annual IRS limits
- [Age 50+ Catch-Up](#)
  - If you reach age 50 anytime within the current calendar tax year, you can contribute an additional amount above and beyond the regular annual deferral limit (Click links to see current Contribution limits)
- [Special 457\(b\) Catch-Up provision](#) (Pre-Retirement 3-Year Catch-Up)
  - Available only in the 3 consecutive years prior to reaching your normal retirement age.
  - Participants cannot use both the Age 50+ and Special 457(b) Catch-Up provisions in same year
  - Participants must pre-qualify for the Special 457(b) Catch-Up (Pre-Retirement 3-Year Catch-Up) and complete/submit a 457(b) Special Catch-Up Calculation Worksheet verifying their qualification (\*Participants are encouraged to contact the NDC Administrative office or an Authorized State of Nevada Voya Financial Advisor Representative for assistance with this process up to three years in advance of their retirement date).

# How much will you need to retire?

You will need to replace at least

**70% - 80%**

of your current income in  
retirement



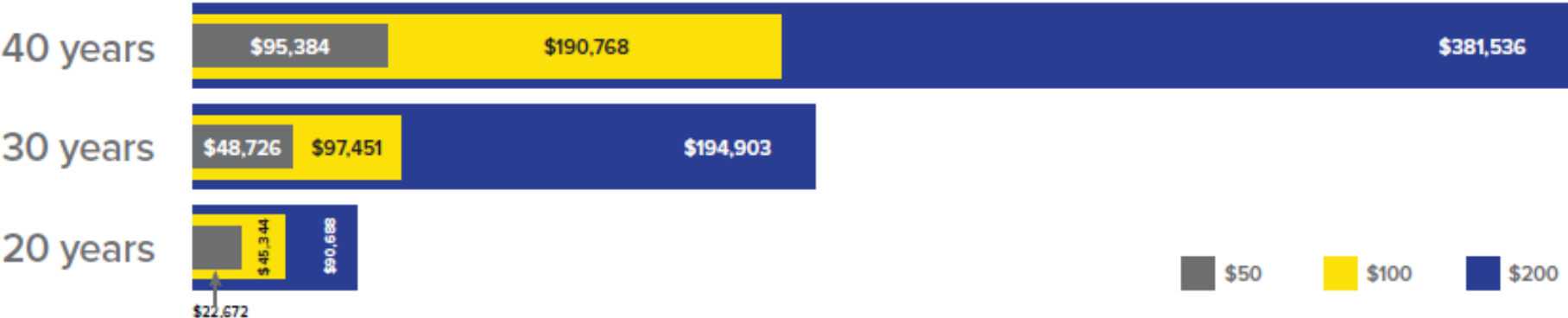
# How much does saving for retirement cost?

	Without NDC	With NDC
Bi-Weekly Salary	\$1,970.00	\$1,970.00
NDC Contribution	\$0.00	<b>\$100.00</b>
Net Taxable Income	\$1,970.00	\$1,870.00
Federal Income Tax (28% tax bracket)*	\$552.00	\$524.00
Take Home Pay	\$1,418.00	\$1,346.00
<b>Reduction in Take Home Pay</b>	<b>\$0</b>	<b>\$72</b> <i>*Assumes you are claiming 4 exemptions</i>

**Bottom Line: \$100 in pre-tax Retirement Savings only costs you**  
**\$72 of your take home pay**

# See how much more you could save

Increasing your NDC Plan savings by \$50, \$100 or \$200 a month can add up



Numbers are based on you saving \$50, \$100, and \$200 a month with 6% annual rate of return compounded monthly. This example is for illustrative purposes only and not intended to be investment advice or a prediction of future result. No specific investment product is reflected and no fees, charges or taxes have been taken into account in the example above.

# Increase your savings as your salary grows

	Before Raise	After Raise
Gross Pay	\$2,000	\$2,080
Pre-Tax NDC Contribution	-\$50	-\$100
Taxable Pay	\$1,950	\$1,980
Estimated Tax Withheld	-\$293	-\$297
Take Home Pay	\$1,657	\$1,683
<b>Change in Take Home Pay</b>	<b>N/A</b>	<b>\$26</b>

You get **\$26** more per pay period, and you contribute \$50 more per check for retirement - which you haven't seen yet!

*\* For illustrative purposes only. Assumes federal income tax withholding of 15% and does not account for Social Security or Medicare taxes.*

# How much should you save?

- Saving for retirement can be overwhelming and frustrating
- Financial planners in the industry suggest this general rule:
  - In your 20s, save 7% of your salary
  - In your 30s, save 10% of your salary
  - In your 40s, save 15% of your salary
  - In your 50s, save 20% of your salary
- No matter what your age is, start saving now!
- What's most important is that you pay yourself first by saving for retirement now; you may not be able to make up for the time you were not saving or not saving as much as you could



# How do you compare?

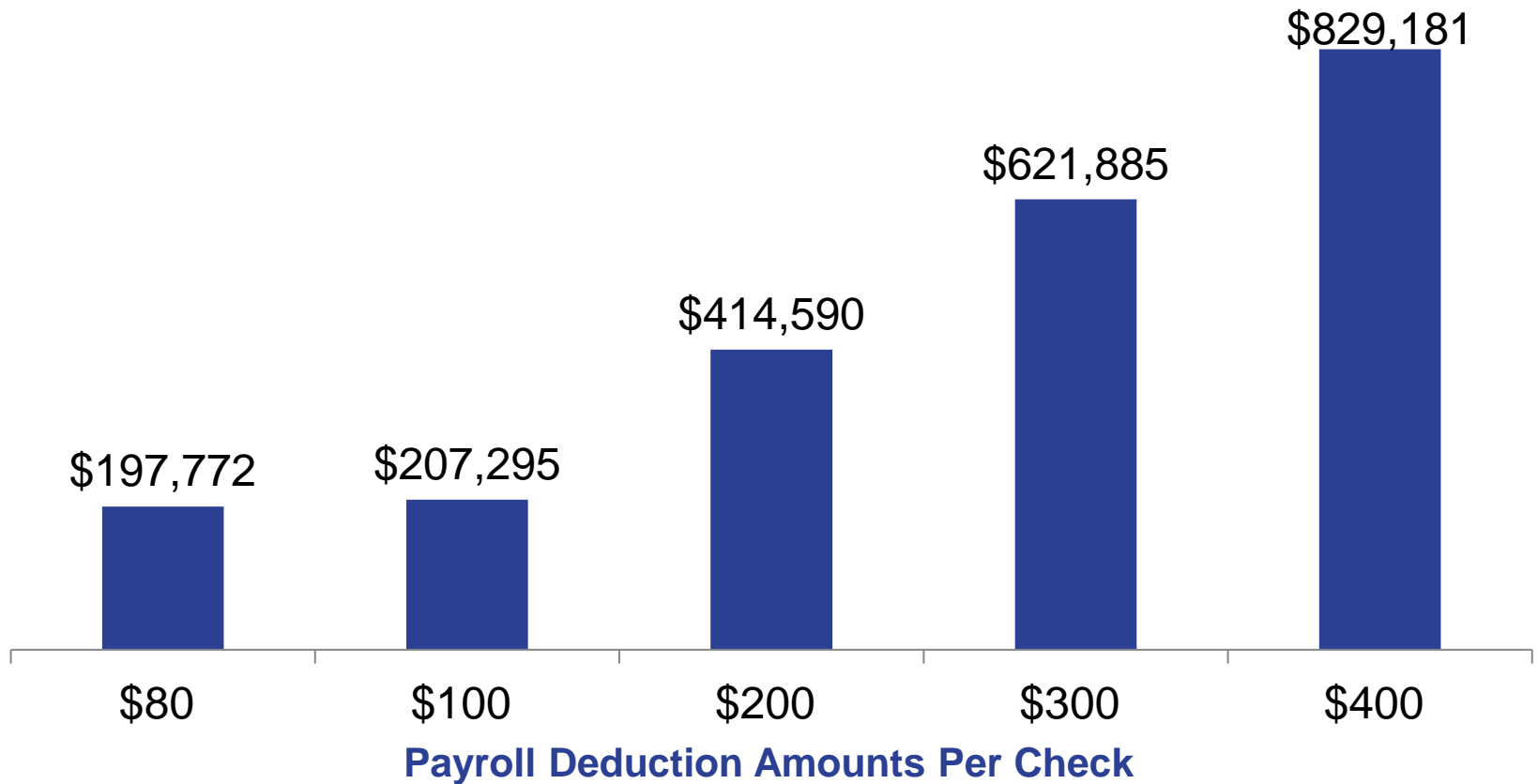
## Eligible employees as of September 31, 2021

Age Range	Participants in NDC	Average NDC Account Value	Average Bi-Weekly Contribution
Age 30 and Under	1,043	\$6,495	\$95
Ages 31-40	3,069	\$25,123	\$182
Ages 41-50	4,639	\$69,002	\$290
Ages 51-60	6,255	\$90,806	\$357
Age 61 and Over	7,501	\$218,229	\$423



# What does your NDC contribution per pay period look like over 25 years?

Assuming a hypothetical 7% return on your NDC account



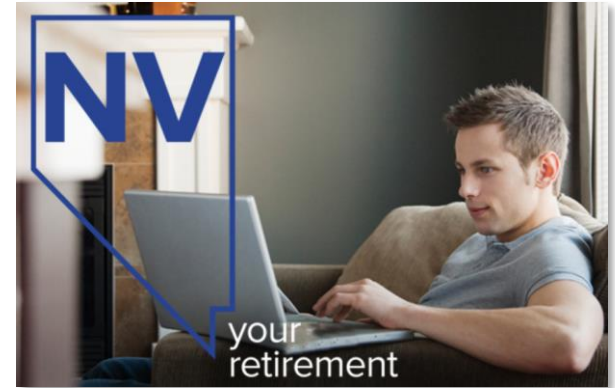


## NDC Plan features

# NDC Plan flexibility

## You can enroll and manage your account a number of ways

- Visit **defcomp.nv.gov** and complete the EZ Enrollment Form
- Visit **nevada.beready2retire.com** and click the *Enroll in the...* link that corresponds with your employer to enroll online
- Schedule to meet by phone, online, or in-person with a local Voya financial professional
- After you enroll, you may change the following to your NDC account at any time:
  - Payroll deduction amount
  - Payroll deduction source (pre-tax or after-tax)
  - Investment options
  - Beneficiary designations
  - Communication preferences



# How do I manage my NDC account?

**Here are some tools that NDC and our contracted Recordkeeper have at your disposal:**

- **nevada.beready2retire.com** – Register your NDC Username and Password, and log into your account regularly
- **Quarterly Statements** – Statements are mailed to your address, but you can sign up for electronic delivery of NDC statements and notifications by email instead website
- **Investment Education** – Your NDC website can help you understand each investment option available in the NDC Plan and the risk associated
- **Target Date Retirement Funds:** Each Target Retirement Date Fund is a complete, diversified portfolio that is appropriate for the time period of today out to the year in the fund's name; each fund automatically gets more conservative in its investment mix as you get closer to your retirement year.
- **Self-Directed Brokerage Account** : NDC offers a self-directed brokerage option from TD Ameritrade for those that may want to invest in securities outside of the NDC investment lineup

# Stay invested in the NDC Plan

- Pre-tax contributions and earnings stay tax deferred – you don't pay taxes on the money until you need to use it
- Take advantage of our negotiated institutional pricing
- Changes in investments can be made at any time
- Assets remain liquid with no restrictions or fees for distributions
- You don't have to pay excessive administration cost or commissions to Agents or Financial Planners
- Rollovers into your NDC account are allowed at any time
- NDC's Investment Consultant provides investment oversight of the NDC Core Investment Options



# Can you withdraw money from your NDC account?

## If you are still employed by the State, you may withdraw from your NDC account:

- At age 70½
- For an approved unforeseen financial emergency
  - You must qualify through the Recordkeeper and are subject to IRS guidelines outlined in the NDC Plan Document)
- As a small inactive account withdrawal
  - If you have not contributed to the NDC Plan for 2 or more years and have less than \$5,000 in your account, you may take advantage of the one-time provision
- For service credit purchase
  - If you have verified with NVPERS the cost of your additional years of service, you may use pre-tax NDC money to purchase these additional years of service credit
- Emergency Loan Program (**\*State of Nevada Employees only**)
  - State of NV Employees qualify to loan up to 50% of their loan value up to \$50K of assets; whichever is less.
  - You pay interest monthly, but you pay the interest back to your account.
- To assist participants with a qualified Birth or adoption
  - A one-time distribution of up to \$5000 can be received for each biological child or adoption of the participant.



# Contact us about the NDC Plan

## **NDC Administrative Office**

Phone: (775) 684-3398 or 3397

Fax: (775) 684-3399

Online: [defcomp.nv.gov](http://defcomp.nv.gov)

Email: [deferredcomp@defcomp.nv.gov](mailto:deferredcomp@defcomp.nv.gov)

## **NDC Plan dedicated Call Center Line**

Phone: **(855) GO-RET-NV** (467-3868)

Hours: Weekdays between 5:00 a.m. – 6:00 p.m. PT,  
except stock market holidays

Online: [nevada.beready2retire.com](http://nevada.beready2retire.com)



# Now is the time!

- Enrolling is easy – complete the EZ Enrollment Form from **defcomp.nv.gov** or enroll online at **nevada.beready2retire.com**
- Don't put off until tomorrow what you can do today.” – Benjamin Franklin
- Increase or change your contribution – use the NDC Payroll Contribution Form
- Call the NDC Administrative Staff or the NDC Plan Information Line with any questions







Thank you.

QUESTIONS?