MISSION: RETIREMENT PLAN JUMP-START
National Save for Retirement Week: October 20-26, 2013

MISSION POSSIBLE
You don’t need a special decoder ring to uncover the secrets to retirement success. All it takes is completing three simple missions.

MISSION 1: ENROLL IN THE MILWAUKEE COUNTY DEFERRED COMPENSATION PLAN (MCDCP).
Mission accomplished! See how easy that was? If you’re receiving this message, you’ve already completed your first mission. Only special agents like you who are enrolled in the MCDCP receive this top-secret statement along with this enclosed directive.

MISSION 2: MAXIMIZE YOUR CONTRIBUTIONS.
Be a special agent for your future. Sure, it’s tough to pass up some of the latest spy innovations, but you don’t want your future to self-destruct, right? To ensure your savings don’t evaporate faster than disappearing ink, make sure you’re saving enough now before you swap that fedora for a straw sun hat.

MISSION 3: ALLOCATE YOUR ASSETS PROPERLY.
In the spy game, timing is everything. That’s why you always hear people say “synchronize your watches” before they engage in any mission. It’s just as important to synchronize your investment choices with your risk tolerance and time horizon. If you’ve still got a lot of missions ahead, you may want to consider investing more aggressively since you’ll have more time to recover from any potential market downturns.

This is what you’ve been training for. And if there is one week more than any other during which you can show off your skills, it’s National Save for Retirement Week, which is October 20-26. Once your mission is complete, those tired old savings secrets that used to be all the rage can be put to rest.

1 Asset allocation does not ensure a profit and does not protect against loss in declining markets.
KEEP IT SIMPLE
SIMPLIFY YOUR RETIREMENT PLANNING BY SIGNING UP FOR ELECTRONIC STATEMENT DELIVERY. YOU CAN CHECK YOUR BALANCE ANYTIME, DAY OR NIGHT, AND EVEN ACCESS PAST STATEMENTS FOR UP TO FIVE YEARS THROUGH STATEMENTS ON DEMAND. YOUR STATEMENT WILL BE THERE, WAITING FOR YOU, WHENEVER YOU NEED IT. IT’S ONE LESS THING YOU NEED TO KEEP TRACK OF! TO SIGN UP, LOG IN TO YOUR ACCOUNT AT WWW.MILWAUKEECOUNTY457.COM, CLICK ON THE “MY PROFILE” TILE, THEN SELECT “GO PAPERLESS.”

ROLL IN YOUR ASSETS—IT’S EASY
If you have money in any prior employer retirement plans or in an Individual Retirement Account (IRA), consider rolling it into the MCDCP.5 Maybe you have another retirement account you might like to roll over. This simple action will not only simplify your life, it also can help boost your savings by reducing some of the associated costs and fees of maintaining separate accounts and help you save more for your retirement.

With your retirement assets in one place, you’ll enjoy the following conveniences:

• A clearer picture of your progress toward your savings goals
• A wide array of investment options and MCDCP services
• Performance data that can help you compare each investment option against an appropriate benchmark
• A single account to access, with only one password to remember

To get started, you need to fill out an Transfer/Rollover Contribution Form, which is available at www.milwaukeecounty457.com under the About Your Plan>Forms tab.2 And if you need assistance, your local representatives can help. You can reach your MCDCP representatives by calling (877) 457-MILW (6459).4

To complete the form, you’ll need the following pieces of information:

• Your personal information
• The type of plan from which you are rolling in the money
• The name, address and phone number of your previous employer’s plan administrator
• The account number of the plan from which you are rolling in the money

As an MCDCP participant, you’re already on a roll! Keep this momentum going by rolling your other eligible retirement savings into your MCDCP account.

YOUR BACK DROP OPTIONS
Did you know that if you qualify for BACK DROP you can roll your BACK DROP funds into the MCDCP?3 This will allow you to take advantage of all the same great features of the MCDCP without needing to manage multiple plans. To roll in your BACK DROP funds, complete the BACK DROP Election Form and the Direct Rollover Election Form, which are available from the ERS, and the Incoming Transfer/Rollover Form, which is available on the MCDCP website. For more information about rolling over your eligible funds, visit the website at www.milwaukeecounty457.com under About Your Plan>Plan Details, or call (877) 457-MILW (6459).2

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2 Access to the voice response system and website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.
3 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.
4 Representatives of GWFS Equities, Inc. are not registered investment advisors, and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax advisor as needed.
Investment decisions based on emotion rather than reason can result in costly mistakes. Behavioral economists study the choices investors make and have identified a number of causes of irrational decisions:

- **Anchoring.** We tend to use our initial experience as a guide to the future. For example, people think of whatever they paid for an investment as its real worth, “anchoring” the investment to its purchase price rather than to its fundamental value.

- **Loss aversion.** Some investors dislike acknowledging a loss so much that they hold a poorly performing investment for years, hoping to “break even,” instead of selling it to reinvest in something more promising.

- **Herd mentality.** If your investment choices are based on what everyone else is doing, you risk overpaying in bull markets and missing out on bargains in bear markets.

- **Framing.** Investors respond to identical facts differently, depending on how they’re presented. An investment described as having a 50% chance of failure, for example, is seen as riskier than one described as having a 50% chance of success.

- **Overconfidence.** We often attribute good returns to our personal investing skills. In a bull market, this can make us opt for high-risk investments instead of a diversified portfolio.

**STAY FOCUSED**

Take emotions out of investing decisions by creating an asset allocation plan that fits your needs and sticking with it. Rebalance your portfolio periodically to restore your desired mix. Stay on course by investing steadily, whether the market is heading up or down. Your money will automatically buy more shares when prices are low and fewer shares when prices are high. Finally, don’t forget the big picture: Consider how your entire portfolio is doing instead of focusing only on an asset that’s currently underperforming.

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5 This is not intended as financial planning or investment advice. Representatives of GWFS Equities, Inc. are not registered investment advisors and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax advisor as needed.

6 Asset allocation does not ensure a profit and does not protect against loss in declining markets.

7 Rebalancing does not ensure a profit and does not protect against loss in declining markets.
NEW-WORLD RETIREMENT PLANNING

Some trends make it trickier to save for the future

Today’s economic environment presents unprecedented challenges for investors. In light of changing circumstances—lower expected stock market returns and interest rates, longer life expectancy, a ballooning federal deficit—you may want to revisit the following long-standing assumptions.

RETIREMENT AGE

Old assumption: I’ll pick a retirement date based on my age.

New approach: I’ll base my retirement date on the size of my nest egg—and maybe I’ll work part-time after retiring from my full-time job. With life spans increasing, you’ll need a substantial nest egg because your savings may need to support you and/or your spouse in retirement for three decades or longer.

INVESTMENT RETURNS

Old assumption: My portfolio will grow every year.

New approach: In the future, my investment returns may be more modest. So, I’ll have to boost my savings rate to reach my goal. With many economic challenges out there, saving as much as you can is a good idea.

SOCIAL SECURITY

Old assumption: The government won’t make any changes to Social Security retirement benefits because they’re an untouchable, important part of the American political system.

New approach: Politicians from both parties are now talking about the possibility of reducing future Social Security benefits. Proposed changes have included a later retirement date for Americans currently under age 50 and smaller annual inflation adjustments to benefits.

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