



City of Seattle

Voluntary Deferred Compensation Plan and Trust

RECENT CHANGES TO YOUR DEFERRED COMPENSATION PLAN:

ADMINISTRATIVE FEE CHANGES:

- Effective June 30, 2021, the Plan's annual administrative fee is decreasing from 0.12% to 0.09%. This will apply to all participants. As an example of how the fee reduction will impact participants, a person with an account balance of \$10,000 will pay an administrative fee of \$9 per year instead of \$12.

NEW FEATURES:

- **IN-PLAN ROTH CONVERSIONS**

In-Plan Roth conversions are now permitted. It allows you to convert all or a portion of your existing pre-tax accounts to a "Roth" within the Plan. If you would like to learn more about Roth, please reach out to one of the Plan's education consultants.

If you complete an In-Plan Roth conversion, the pre-tax amount you convert is subject to ordinary income taxes for the year of the conversion. You are responsible for the tax liability and estimated tax payments associated with your In-Plan Roth conversion. You may want to seek advice from a tax professional or financial adviser about Roth Contributions and In-Plan Conversions before requesting a conversion.

- **LOAN OPTION FOR SEPARATED EMPLOYEES**

Participants who have left employment or have retired from the City are now eligible to request a loan from their account balances. Participants are still limited to one (1) loan at a time.

- **ACH LOAN REPAYMENT FOR SEPARATED EMPLOYEES**

Participants who have left employment or retired from the City are now able to setup automatic ACH loan repayments. In addition, these employees may change their payment frequency to monthly by reaching out directly to Nationwide.

To learn more about the Plan or any of the above changes, please contact Nationwide or attend a July webinar where these changes will be discussed. Nationwide's customer service number is (855) 550- 1757. Representatives are available Monday through Friday from 5:00 a.m. to 8:00 p.m. Pacific Time, and Saturday 6:00 a.m. – 3:00 p.m. Pacific Time. If you would like to attend a webinar, please see the schedule at <http://bit.ly/dcpeducation>.

You can also contact one of our on-site education consultants specifically assigned to our plan. Their contact information is below.

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