



## What You Need to Know about the Deferred Compensation Plan for 2022 July 2021

### What change is happening?

WSSC Water is consolidating the ICMA-RC 457(b) Deferred Compensation Plan into the Washington Suburban Sanitation Commission Deferred Compensation Plan, the 457(b) plan offered by Empower Retirement, so there will only be a single provider.

### When will this change take place?

We will transition from two providers to one in December 2021.

### Why are we moving to a single provider?

By moving to a single provider, we will minimize administrative and investment fees, streamline the investment lineup(s), offer a full range of 457(b) services and provide customized administrative services. In addition, the WSSC Water Investment Committee identified a multitude of new services and innovative trends that Empower brings to the table.

### Who decided to make this change?

The new Chapter 1.50, Deferred Compensation Plan Investment Committee Charter Standard Procedure (SP) established an investment committee to manage the deferred compensation plan. The committee, which includes Commissioner Chris Lawson, Deputy General Manager of Administration Joe Beach, Chief Financial Officer Patti Colihan, Director of Human Resources DeAnna Thomas and Retirement & Investment Division Manager Rick Baker is authorized to be the investment fiduciary responsible for the prudent management of our deferred compensation plan and its participants. The committee also selects investment managers and consultants for the plan and ensures a diverse range of asset class options from which participants can choose. The SP has been published in the [Manual of Standard Procedures](#), Title 1 – Governance.

### Why don't we stay with ICMA-RC instead of Empower?

Empower offered a combination of the most competitive fees and best employee and employer website tools. Empower also demonstrated more innovative ideas on helping our participants get ready for retirement.

### Who is Empower Retirement?

Empower is a retirement plan record keeper that supports government entities like us, as well as corporate entities, to help replace income in retirement made while working. It is a sole platform provider with 3.2 million government employees and is the largest record keeper of government retirement plans. You can obtain more information about Empower at [www.empower-retirement.com](http://www.empower-retirement.com).

### What will happen to my money at ICMA-RC?

Your account will be transferred to an account with Empower Retirement through a process called “mapping”. This is done automatically during a blackout period starting in December. WSSC Water and Empower are finalizing the mapping details and will provide specific information in the next version of this document.

### What is a blackout period?

A blackout period starts with your current provider restricting all financial activity on your account. Assets and records transfer to Empower, and to complete the process of mapping funds, there is a period of time when you cannot access your account. This

period is known as a blackout period. During this period, your funds remain invested and continue to gain and/or lose value depending on market conditions.

You will receive a notification before the blackout period and when it has ended, which is currently estimated to be in mid-December.

### **Will I lose any money or monthly investments because of the consolidation to Empower?**

During this period, your funds remain invested and continue to gain and/or lose value depending on market conditions. As for fund performance, please remember that past performance is not a guarantee of future results.

### **Can I withdraw my ICMA-RC money instead of moving it to Empower?**

Current employees may not withdraw their monies. You may do this when you meet one of the qualified reasons to do so (i.e., separation from employment with WSSC Water). Check with WSSC Water Human Resources to see if you qualify for any of the reasons.

### **Will I still have access to emergency hardship withdrawals and loans?**

Yes, WSSC Water has directed Empower to offer both options.

### **What will happen to my current loan with ICMA-RC?**

Your loan will transfer to Empower with your current balance and repayment schedule.

### **Can I continue to contribute to my IRA?**

WSSSC does not offer or sponsor Individual Retirement Accounts (IRAs). You can contribute to an IRA through an external IRA provider. If you have separated service, you can roll over your assets to an Empower IRA (not associated with WSSC Water), continue any existing third-party IRA through ICMA-RC, or set up an external IRA. Roth IRAs cannot be rolled into WSSC Water's 457(b) plan per IRS regulations.

### **Will WSSC Water offer a Roth 457(b) through Empower?**

WSSC Water and Empower have not yet set up this option. We are in the process of determining when we will roll out this option.

### **Can I still do the age 50 and the pre-retirement catch-ups?**

Yes. Both options will still be available to you after the transition, per IRS regulations.

### **What is the maximum amount I can contribute in 2022?**

The IRS will release the 2022 limits this October or November. For comparison, the current 2021 contribution limit is \$19,500.

### **Can I elect a percentage or a dollar amount contribution?**

You may elect a percentage of salary or a flat dollar amount. Your current contribution election (percentage or flat dollar amount) with ICMA-RC will transfer to your new Empower account.

### **Will I still receive a quarterly statement from Empower?**

Empower will mail/make electronically available a statement within 15 business days of each quarter's end. These statements will also be available online.

### **How can I change my investment selection?**

You will be able to do this on Empower's participant website, [www.empowermyretirement.com](http://www.empowermyretirement.com), starting in December; 99% of investment transfers are processed on the same day if Empower receives direction by 4pm Eastern time. This timing could be

impacted by early close time of investment, or close of market due to shortened hours associated with early market close or holiday eves.

### **How fast does Empower change my investment selection?**

Empower's internal recordkeeping system makes real-time changes.

### **When I change my investment selection, how will I know it has been completed?**

Participant confirmation statements are mailed and available online within two business days following completion of transaction processing.

### **Does WSSC Water match or contribute to my account?**

WSSC Water does not match or contribute to your deferred compensation plan.

### **What happens if I am retired and receiving periodic payments from ICMA-RC?**

Empower will take over the payment details from ICMA-RC based on the converting payment data received from ICMA-RC and continue under Empower.

### **Will Empower offer training classes and webinars this year and in the future?**

Yes, Empower will conduct virtual group meetings about this transition in the early fall and offer many ways to learn more about investing and planning for retirement in the future.

### **Will there still be a way to meet with someone at Empower or is it just virtual?**

Presently, meetings are still virtual, either by WebEx video conference or over the telephone. Empower is developing a strategy to allow face-to-face meetings, and that will be shared with you soon.

### **After the transition, will there be a new web address for everyone to use?**

Yes. The new web address will be [www.empowermyretirement.com](http://www.empowermyretirement.com). The Empower website will be available to provide enhanced tools and resources for all participants in the Deferred Compensation Plan. Once you have access, you are encouraged to access your account and update your beneficiary information online.

If you currently contribute to the Washington Suburban Sanitation Commission Deferred Compensation Plan, administered by Empower, this is the same website you currently use.

### **Where can I direct my questions?**

Send questions to the WSSC Water designated email address at [Empoweryoursavings@wsscwater.com](mailto:Empoweryoursavings@wsscwater.com).

After the transition, call Empower's Participant Services at 800-701-8255. Representatives are available by phone Monday to Friday, from 8a.m. to 10p.m., Eastern time and Saturday from 9a.m. to 5:30p.m.

For after-hours services, use Empower's voice response system at 800-701-8255. The voice response system and website are available 24 hours a day, seven days a week.

Contact Empower's Retirement Plan Advisor, Daryl Wells at [daryl.wells@empower-retirement.com](mailto:daryl.wells@empower-retirement.com) or 800-701-8255 (office) or 203-535-2793 (mobile).

Carefully consider the investment option's objectives, risks, fees and expenses. Contact Empower Retirement for a prospectus, summary prospectus for SEC-registered products or disclosure document for unregistered products, if available, containing this information. Read each carefully before investing.

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