

Video Transcript (English)

Title: Plan. Save. Retire.

Speaker: Ben Hensarling

Description: This video provides a basic overview of the Florida Deferred Compensation Plan.

Learn:

- Brief History of the Plan
- What is the Plan?
- Who is Eligible for the Plan?
- Bridging the Savings Gap
- Start Saving Now
- The Importance of Saving More
- Types of Investments
- Quarterly Performance Report Information

[Video starts.]

[Florida Deferred Compensation Plan logo and CFO Jimmy Patronis logo are on-screen.]

[Music plays in.]

[Cut to speaker on-screen.]

Rosemary Isham is Chief of Deferred Compensation and Plan Administrator for the Florida Deferred Compensation Plan—as of December 28, 2023. This role oversees the Plan and its Investment Providers.

[Cut to text on-screen.]

Commissioned in 1982, the Florida Deferred Compensation Plan services over 87,000 current and former employees with \$6 billion invested. The Deferred Compensation Plan is a voluntary retirement plan that supplements the Florida Retirement System and other employer sponsored plans. The Plan operates under Section 457B of the Internal Revenue Code and is designed so each Participant can save at a comfortable pace while benefiting from pre-tax investing.

[Cut to title card.]

Who is Eligible for the Plan?

[Cut to text on-screen.]

The Florida Deferred Compensation Plan is offered to all State of Florida employees. This includes OPS employees and employees of the State University System, the State Board of Administration, and other Government Employers, including Counties, Cities, State Colleges, Special Districts, Water Management Districts, and more that are subject to employer participation.

[Cut to speaker on-screen.]

Let's discuss why the Florida Deferred Compensation Plan is important and how it can help you meet your retirement goals.

[Cut to animation on-screen: A bridge is being built above a road as the speaker explains the information conveyed by the signs that are placed on the bridge as it's being put together.]

Most employees will have a mandatory employer sponsored retirement plan that replaces approximately 48% of working income, and Social Security replaces about 30%, leaving an income gap of nearly 22%. The Florida Deferred Compensation Plan will help you bridge this gap and get to 100% income replacement. But it's important to start early.

[Animation ends with a car driving across the fully built bridge.]

[Cut to animation on-screen: A graph is being populated with data as the speaker explains its contents.]

Let's compare two employees. Jamie and Jordan both begin employment at age 25. Jamie starts saving \$100 every month with the Plan, right away. Jordan, however, waits 10 years to start saving and, now, must save over \$234 a month to reach a similar retirement balance. Be like Jamie and start saving, now.

[Cut to speaker on-screen.]

Your retirement needs may be different. Some people need more; some people need less. It's all about what's manageable for you.

[Cut to animation on-screen: A chart sits in the bottom left with data the speaker is talking about; an airplane sits above the chart, and lines come out of the plane and end on certain points of a map of Florida to represent travelling further with your savings by saving more.]

Consider saving as little as \$25 a month. You could save almost \$4400 in as little as 10 years. Bump that up to \$50 a month and you could save around \$26,000 over 20 years. Saving more over a longer time keeps trending upwards. When you look at saving \$75 over 30 years, you could reach over \$91,000 in savings. You should save what is manageable but it's important to see how budgeting to save more for retirement can take your savings further.

[Disclaimer on-screen: All charts/graphs are for illustrative purposes only and are not meant to represent the performance of any specific investment option. Each scenario assumes a 7% return and reinvestment of earnings, with no withdrawals. Return amounts have been rounded down to the nearest dollar. Rates of return may vary.]

Remember, Jamie was able to reach around \$122,000, just by saving \$100 a month for 30 years, but imagine if Jamie had saved even more.

[Animation ends with a rocket flying off screen to represent the possibilities of saving more than \$100 a month.]

[Cut to speaker on-screen.]

Let's talk about how your contributions to the Plan can be invested. There are three main types of investments in the Plan.

[Cut to image on-screen: Mutual Funds graph showing growth over time that fluctuates up and down but ultimately goes up.]

Mutual Funds respond to the ebbs and flows of the financial markets and the overall economy. They are classified by asset category that identify the types of Stocks or Bonds held for investment.

[Cut to image on-screen: Fixed Accounts graph showing steady, conservative growth upwards over time.]

Fixed Accounts are much like savings accounts that gain a predetermined return percentage that is guaranteed by the company offering the product and is set by contract.

[Cut to image on-screen: Target Date Funds graph showing steady growth over time that starts out aggressively and ends more conservatively.]

Target Date Funds provide a diverse mix of investment—including Stocks, Bonds, and Cash Equivalents—that periodically and automatically adjust over time to grow more conservative as you near your target retirement date. These are the default investment, should a Participant not select Mutual Funds or a Fixed Account.

[Cut to speaker on-screen.]

Other than the three types of investment, the Plan also makes available a Self-Directed Brokerage. This allows Participants to invest in Stocks, Bonds, Exchange Traded Mutual Funds, Options, and other investments outside of the financial oversight of the Deferred Compensation Plan.

[Cut to image on-screen: Thumbnail image for the Plan Watch Booklet, depicting a lighthouse, at night, with the words “Plan Watch” appearing in the shining of the lighthouse directional light; four images appear over the bottom right corner of the thumbnail to represent the 1st, 2nd, 3rd, and 4th Quarters of the year (1st Quarter = Blue; 2nd Quarter = Bronze; 3rd Quarter = Silver; 4th Quarter = Gold).]

For a more comprehensive look at the Plan and its investment options, refer to the “Quarterly Performance Report”, located in the Plan Watch Booklet.

[URL on-screen for Plan Watch Booklet: MyFloridaDeferredComp.com/PWB.]

[Cut to images on-screen: Three Investment Provider logos.]

The Florida Deferred Compensation Plan has three Investment Providers: Corebridge, Nationwide, and Voya. These Investment Providers help employees with education, investments, and account servicing.

[URL on-screen for Corebridge Financial: FloridaDCP.CorebridgeFinancial.com.]

[Phone number on-screen for Corebridge Financial: 888-467-3726.]

[URL on-screen for Nationwide Retirement Solutions: NRSFlorida.com.

[Phone number on-screen for Nationwide Retirement Solutions: 800-949-4457.]

[URL on-screen for Voya Financial: Florida457.BeReady2Retire.com.]

[Phone number on-screen for Voya Financial: 800-282-6295.]

[Text appears on-screen: PLAN. SAVE. RETIRE.]

On the Plan. Save. Retire. page, all three have great resources available to help you learn more about their individual services.

[URL on-screen for Plan. Save. Retire. page: MyFloridaDeferredComp.com/PlanSaveRetire.]

[Cut to text on-screen.]

The Florida Deferred Compensation Plan is here to help you:

Plan What is Possible; Save What is Manageable; and Retire When Comfortable.

[Music plays out.]

[Florida Deferred Compensation Plan logo and CFO Jimmy Patronis logo are on-screen.]

[URL on-screen for Florida Deferred Compensation Plan homepage: MyFloridaDeferredComp.com.]

[Toll-free phone number on-screen for Florida Bureau of Deferred Compensation: 877-299-8002.]

[Fax number on-screen for Florida Bureau of Deferred Compensation: 850-488-7186.]

[Email address on-screen for Florida Bureau of Deferred Compensation:
DeferredCompensation@MyFloridaCFO.com.]