



City of Scottsdale  
457(b) and Retirement  
Health Savings Plans

Transition guide

# We're transitioning your Deferred Compensation Plans.

**NOTE:** This represents the second mailing of our important transition guide first mailed in November. The first mailing has been confirmed lost in USPS transit and should be disregarded if or when received. We apologize for the inconvenience of the delayed communication.

# The City of Scottsdale deferred compensation and retirement health savings plans are transitioning to Nationwide.

Following a thorough analysis, the City of Scottsdale has selected Nationwide as the provider of your 457(b) Deferred Compensation and Retirement Health Savings Plans. Nationwide has been helping public sector employees like you prepare for and live in retirement for more than 40 years.

Nationwide will provide administrative and recordkeeping services for the plans previously administered by ICMA. Participants invested in the plans will be transferred to Nationwide on January 11, 2018. Through this new partnership, you will receive new or improved service options, including:



A new website at [scottsdale457.com](http://scottsdale457.com) with enhanced digital tools and services, including:

- 24/7 access via any device, any time (mobile responsive)
- new online service features like automatic asset rebalancing and automatic increase
- eDelivery (paperless delivery) of plan communications and statements



A new and streamlined line-up of lower-cost investment options



Comprehensive retirement planning tools



Fixed account with a yield of 2.25% through 12/31/2018 (subject to change)



Continued access to a Retirement Health Savings Program



Continued access to professional account management



Responsive, local plan service

**Please read this brochure carefully.** We encourage you to attend educational workshops to learn more about the plans and to meet your local Nationwide retirement specialists.

Important Transition Dates	
<b>January 3, 2018</b> 1 p.m. AZ time	<b>Blackout period begins. Last day to:</b> - request a distribution - make changes to your account through ICMA - make changes to your self-directed brokerage account - print copies of any account statements currently available through ICMA
<b>Between January 6 and 11, 2018</b>	Correspondence from Nationwide with your new account number will be mailed so that you can set up your new online account. See page 7 for more details.
<b>January 10, 2018</b>	Your accounts and assets will be transferred to Nationwide and mapped as explained on the investment options pages in this brochure. See pages 3 - 5.
<b>January 11, 2018</b>	<b>Blackout period ends.</b> You have access to your account at 5 a.m. AZ time.

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# Learn more at one of these workshops

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**Attend an educational workshop for one-on-one transition support and online access education.**

Your local retirement specialist will gladly assist as you make decisions about plan participation. We encourage you to attend one of the many upcoming transition workshops to learn more about your options.

Notes:

- If you plan to attend one of the January sessions, please bring your laptop/tablet/cell phone as part of the session will be designated to help you establish your online account.

DATE	TIME	LOCATION
12/19/17	2:30 p.m.	North Corporation Yard – Wrangler Room
12/20/17	9 a.m.	Public Safety Headquarters – Arizona Room
1/12/18	10 a.m.	Fire Station #2 – Computer Room*
1/12/18	11 a.m.	Fire Station #2 – Computer Room*
1/17/18	8:30 a.m.	District 1 – Community Room
1/17/18	11 a.m.	North Corporation Yard – Wrangler Room
1/17/18	1:30 p.m.	Fire Station #2 –Computer Room*
1/17/18	2:30 p.m.	Fire Station #2 –Computer Room*
1/23/18	10 a.m.	PSHQ – Arizona Room
1/25/18	9 a.m.	North Corporation Yard – Wrangler Room

\*Given seating limitations, an RSVP link will be provided in January for the sessions held at Fire Station #2.



# Investment Option Updates

Assets in current 457(b) and RHS funds will be transferred to new funds as displayed in the table on pages 4-5. On January 11, 2018, after 5 a.m. AZ time, you will have the option of selecting your own mix of investment options from the **To (New Fund)** column in the table below.

## Note About The Plus Fund:

All Plus Fund assets will remain with ICMA until they transfer to Nationwide on August 29, 2018 and are placed into the Nationwide Guaranteed Fund. This transfer will be featured on your third quarter statement mailed in October 2018. If you are 100% invested in the Plus Fund and are taking a distribution, you will continue to receive your payout from ICMA through this date.

Asset Class	From (Current Fund)	To (New Fund)	Ticker
Large Cap	VT Vantagepoint Equity Income	Dodge & Cox Stock	DODGX
	VT Invesco Diversified Div	MFS Value	MEIKX
	VT Allianz NFJ Div Value		
	VT Vantagepoint Growth & Inc	Vanguard 500 Index	VFIAX
	VT Parnassus Core Equity		
	VT Oppenheimer Main Street		
	VT Vantagepoint 500		
	VT Vantagepoint Growth	T. Rowe Price Blue Chip Growth	TBCIX
	VT T. Rowe Growth Stock		
	VT Fidelity Contrafund	Harbor Capital Appreciation	HNCAx
VT II Model Port Conservative	* The appropriate Vanguard Target Retirement Fund based on your date of birth		
Mid Cap	VT Vantagepoint Selected Value	Victory Sycamore Established Value	VEVRX
	VT Goldman Sachs MC Value		
	VT Vantagepoint Md/Sm Index	Vanguard Mid Cap index	VIMAX
	VT AMG Times Square MCG	Victory Munder Mid Cap Growth	MGOSX
	Vantagepoint Aggressive Opportunities		
	VT Harbor Mid Cap Growth	Hartford Mid Cap R6	HFMVX
Small Cap	VT Vantagepoint Discovery	Vanguard Small Cap Index	VSMAX
	VT Oppenheimer Discovery	Emerald Growth	FGROX
Market Equity	VT Vantage Point Broad Market Index	Vanguard 500 Index	VFIAX
International	VT Harbor International	Cambiar International	CAMYX
	VT Vantagepoint Overseas Equity Index	Vanguard Total International Stock Index	VTIAX
	VT Vantagepoint International		
	VT Fidelity Diversified International	American Funds EuroPacific Growth	RERGX
Fixed/Bond	VT Vantagepoint Core Bond Index	MetWest Total Return Bond	MWTIX
	VT PIMCO High Yield	PIMCO High Yield	PHIYX
	VT Western Asset Core Plus Bond	Fidelity Advisor Total Bond	FEPIX
	VT Vantagepoint Inflation Focused	Vanguard Total Bond Market Index	VBTLX
	VT Cash Management	Nationwide Fixed Account	NA
	3-5yr BOA CD Account		
	VT PLUS Fund		
	VT II Vantagepoint Low Duration Bond		
Specialty	VT Nuveen Real Estate	Nuveen Real Estate	FREGX

Asset Class	From (Current Fund)	To (New Fund)	Ticker
Balanced	VT Fidelity Puritan	Vanguard Target Retirement 2035	VTTHX
	VT Retirement Income Advantage	* The appropriate Vanguard Target Retirement Fund based on your date of birth	
Target Date	VT Vantagepoint Retirement Income	Vanguard Target Retirement Income	VTINX
	VT Vantagepoint Milestone 2010	Vanguard Target Retirement Income	VTINX
	VT Vantagepoint Milestone 2015	Vanguard Target Retirement 2015	VTXVX
	VT Vantagepoint Milestone 2020	Vanguard Target Retirement 2020	VTWNX
	VT Vantagepoint Milestone 2025	Vanguard Target Retirement 2025	VTTVX
	VT Vantagepoint Milestone 2030	Vanguard Target Retirement 2030	VTHRX
	VT Vantagepoint Milestone 2035	Vanguard Target Retirement 2035	VTTHX
	VT Vantagepoint Milestone 2040	Vanguard Target Retirement 2040	VFORX
	VT Vantagepoint Milestone 2045	Vanguard Target Retirement 2045	VTIVX
	VT Vantagepoint Milestone 2050	Vanguard Target Retirement 2050	VFIFX
	VT Vantagepoint Global Equity Growth	* The appropriate Vanguard Target Retirement Fund based on your date of birth	
	VT Vantagepoint Long-Term Growth	* The appropriate Vanguard Target Retirement Fund based on your date of birth	
	VT Vantagepoint Traditional Growth	* The appropriate Vanguard Target Retirement Fund based on your date of birth	
	VT Vantagepoint Conservative Growth	* The appropriate Vanguard Target Retirement Fund based on your date of birth	

\* Please refer to the table below to determine which fund you will transfer to based upon your date of birth

### Key to the appropriate Vanguard Target Retirement Fund based on your date of birth

Participant Date of Birth	Vanguard Target Retirement Fund
Prior to 1/1/1948	Vanguard Target Retirement Income
1/1/1948 - 12/31/1952	Vanguard Target Retirement 2015
1/1/1953 - 12/31/1957	Vanguard Target Retirement 2020
1/1/1958 - 12/31/1962	Vanguard Target Retirement 2025
1/1/1963 - 12/31/1967	Vanguard Target Retirement 2030
1/1/1968 - 12/31/1972	Vanguard Target Retirement 2035
1/1/1973 - 12/31/1977	Vanguard Target Retirement 2040
1/1/1978 - 12/31/1982	Vanguard Target Retirement 2045
1/1/1983 - 12/31/1987	Vanguard Target Retirement 2050
1/1/1988 - 12/31/1992	Vanguard Target Retirement 2055
1/1/1993 - 12/31/1997	Vanguard Target Retirement 2060
After 1/1/1998	Vanguard Target Retirement 2065





## **Our managed account option can help you be more confident in your investing.**

For any managed account service, your assets are invested in underlying funds offered by the plan. If you are currently enrolled in ICMA's managed account service, your assets will be mapped to the new funds featured in this brochure. Within five (5) business days of the transition, your funds will be reallocated into the comparable Nationwide ProAccount managed account option. Look for a Nationwide ProAccount mailing with more details in late November.

If you are not currently enrolled in a professionally managed account solution, you can learn more or request that your plan assets be professionally managed after the transition by calling Nationwide at 1-888-401-5272.

## **Self-Directed Option**

If you have a VantageBroker self-directed account with ICMA-RC, your funds and investments will transfer to the Charles Schwab & Co., Inc. PCRA<sup>®</sup> self-directed brokerage account. Through the Schwab Personal Choice Retirement Account (PCRA<sup>®</sup>), you can have access to thousands of mutual funds outside of the 457(b) Plan.

Brokerage services for the Schwab PCRA are provided by Charles Schwab & Co., Inc. (member SIPC). PCRA is service mark of Charles Schwab & Co., Inc., which is not an affiliate of Nationwide or any of its companies.

### **Important information to consider**

Investing involves market risk, including possible loss of principal. Actual investment results will vary depending on your investment and market experience, and there is no guarantee that fund objectives will be met.

Before investing, consider the fund's investment objectives, risks, and charges and expenses carefully. Each fund's prospectus contains this and other important information, and is available by calling 1-855-826-5400 or by download at [scottsdale457.com](http://scottsdale457.com). Read carefully before investing.

**Bond funds** have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the fund.

**High-yield bond securities** are typically subject to greater risk and price volatility than funds that invest in higher rated debt securities.

**International funds** involve risks not associated with investing solely in the U.S., such as currency fluctuation, political risk, differences in accounting and the limited availability of information.

**Large-cap funds** are subject to market risk that is generally perceived to be less than with mid- and small-cap funds.

**Mid-cap funds** are subject to market risk that is generally perceived to be greater than large-cap stock funds, but less so than small-cap funds.

**Real estate funds** are sensitive to economic and business cycles specific to the real estate industry as well as changing demographic patterns and government actions.

**Short-term investment options** may be subject to less volatility than other investments, but they may not keep pace with inflation.

**Small company funds** may be subject to greater price volatility and risk than the overall stock market.

**Target date funds** are designed for investors who plan to withdraw funds during or near a specific year after retirement. As a result, the funds are managed to become more conservative – that is, decrease in market risk – as that year approaches. However, no strategy can assure a profit or prevent a loss, especially in a declining market; the funds are not guaranteed to provide enough income to last through retirement. In addition to the costs of the fund, investors pay a proportionate share of the underlying fund expenses.

**Nationwide Fixed Account** is offered by Nationwide Life Insurance Company, Columbus, Ohio. Guarantees are subject to the claims-paying ability of Nationwide Life.



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## How to access your account

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Correspondence from Nationwide with your new account number will be mailed approximately five (5) business days prior to the January 11, 2018 transition date. Use this number to establish an online account (including establishing a username and password) and sign up for eDelivery. As you set up access to your account online and by phone, you will be asked to use your Social Security Number, date of birth and account number. This is the only time you will be asked to use your Social Security Number.



Beginning January 11, 2018 at 5 a.m. AZ time, you can manage your account by phone. Just call 855-826-5400 and follow the prompts to establish your PIN for account access.



When you set up your online account, review and manage your beneficiary designation(s). To do this, log into your account and select “Manage Beneficiaries” in the left navigation bar. It is important to do this now and whenever you have an important life event.

**If you would like more information about the enhancements coming to your retirement plan, call the Nationwide Customer Service Center at 855-826-5400.**

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## Special message for retirees

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We are excited about the transition to Nationwide and what that means for all participants. For retirees, we are especially excited since the transition brings new opportunities for Health Care and Social Security workshops, increased opportunities for one-on-one meetings with local retirement specialists and more.

In addition, a Nationwide Retirement Plans walk-in office is now available at 4747 N. 7th Street, Suite 418 in Phoenix.

**Special note:** be sure to attend a transition workshop to learn more (see schedule on page 3).

Below are some important notes for retirees:

- If you have submitted the appropriate paperwork to retire between now and January 10, 2018, note that no additional paperwork or notifications on your part are required.
- If you are currently taking a distribution, there will be no change to the timing or amount of your current distribution election.
- Check out our new line-up of investment options and schedule a meeting with a retirement specialist after January 11 to better understand your investments or make changes.
- Explore our new website on January 11, 2018 to learn more about our new Plan features, schedule a meeting with a retirement specialist online, and review helpful education articles.



Investing involves market risk, including possible loss of principal. No investment strategy or program, including participation in Nationwide ProAccount, can guarantee a profit or avoid loss. Investment advice for Nationwide ProAccount is provided to plan participants by Nationwide Investment Advisors, LLC (NIA), an SEC-registered adviser. NIA charges an asset-based fee for the managed account services. NIA has retained Wilshire® as an Independent Financial Expert for Nationwide ProAccount. While NIA is the investment adviser for your account, Wilshire provides NIA with investment decisions for the Nationwide ProAccount portfolios. NIA will exercise discretionary authority to allocate and rebalance a Nationwide ProAccount participant's account to implement the advice provided by Wilshire. Wilshire is a registered service mark of Wilshire Associates Incorporated, Santa Monica, California, which is not an affiliate of the Plan, NIA or Nationwide.

Nationwide Retirement Specialists are Registered Representatives of Nationwide Investment Services Corporation, member FINRA. Nationwide representatives cannot offer investment, tax or legal advice. Consult your own counsel before making decisions about participation in the Deferred Compensation Plans.

Nationwide, through its affiliated retirement plan service and product providers, have endorsement relationships with the National Association of Counties and the International Association of Fire Fighters-Financial Corporation. In addition, Nationwide may receive payments from mutual funds or their affiliates in connection the variety of investment options offered to public sector retirement plans through variable annuity contracts, trust or custodial accounts. For more detail about Nationwide's endorsement relationships and/or payments Nationwide receives, please visit [www.nrsforu.com](http://www.nrsforu.com).

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