

SUMMARY OF PROJECT – NAGDCA 2020 LEADERSHIP RECOGNITION AWARD
CATEGORY: PARTICIPANT EDUCATION AND COMMUNICATIONS

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
401(K) AND 457(B) PLANS –
SAVE MORE, DO MORE CAMPAIGN

Project Summary

A participant's savings rate is one of the key factors in determining whether he or she will be prepared for retirement. It's a simple concept: the more participants save and invest, the greater the likelihood they'll meet their retirement income goals. But despite its simplicity, the message tends to get lost in the background noise of participants' busy lives.

In July 2019, the Metropolitan Water District of Southern California (MWD) launched a multi-channel campaign designed to ensure that the message about the importance of savings rates came through loud and clear. The resulting *Save More, Do More* campaign also highlighted the benefits of saving through an employer-sponsored retirement plan, including tax-advantaged contributions, the potential for compounded growth and automatic saving with each paycheck. The campaign included the following elements:

- **A Plan-wide fee holiday** that allowed participants to keep the money that they would have paid in quarterly recordkeeping administrative fees in their accounts.
- **A campaign announcement memo** highlighting the fee holiday, promoting the benefits of saving through the Plans and encouraging participants to increase their contributions.
- **Statement narratives and a printed statement stuffer** that called attention to the fee holiday and prompted participants to go online and increase their contributions.
- **Emails, website pop-up messages, and fliers** promoting a "Save wisely, live boldly" message to encourage contribution increases and highlighting the simplicity of making a change.
- **Educational videos** focusing on contribution increases and protecting retirement savings — extending the campaign messaging and providing the same calls-to-action as other deliverables.

The results clearly show that participants took the message to heart. An impressive 11.3% of active 457(b) participants and 9.8% of 401(k) participants increased their contribution levels during the campaign period. The average contribution increased by 123% in the 457 Plan and 42% in the 401(k) Plan. Also, 18% of the 457(b) participants and 13% of the 401(k) participants who increased contributions were inactive participants who chose to start saving again through the Plans.

PROJECT DESCRIPTION – NAGDCA 2020 LEADERSHIP RECOGNITION AWARD
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Project Description

Contribution increases are one of the core behaviors of improving retirement readiness. But even though participants realize they *should* save more for their future, they don't always take the steps to turn their good intentions into action. The Metropolitan Water District of Southern California (MWD) wanted to change that dynamic.

Through a creative, multi-faceted communications campaign, MWD encouraged participants to save more by taking a few simple steps, while ensuring that relevant information reached participants via the channel most likely to elicit a response. MWD also saw the opportunity to use the campaign to reacquaint participants with the unique advantages of saving through their 401(k) and 457(b) Plans, including tax-advantaged contributions and automatic payroll deductions. The MWD team worked closely with its partners at Empower Retirement to develop a comprehensive suite of initiatives that included:

- **A Plan-wide fee holiday** - The MWD Deferred Compensation Advisory Committee initiated a “fee holiday” beginning July 2019 and running through early 2020. During the holiday, the money that participants would have paid in quarterly recordkeeping administrative fees stayed in their accounts, helping them build future retirement income.
- **A campaign announcement memo** - MWD's Human Resources Group Manager issued a memo to all employees announcing the campaign, highlighting the fee holiday, promoting the benefits of saving through the Plans and encouraging participants to log in to their accounts and increase their contributions.
- **Statement narratives and a printed statement stuffer** - These components called attention to the fee holiday and prompted participants to go online and increase their contributions.
- **Email, website pop-up messages, and a flier** - These elements used a “Save wisely, live boldly” message to encourage participants to increase their contributions and highlighted how the process could be completed in just three clicks.
- **Educational videos** - Two videos — one focusing on contribution increases and the other on protecting retirement savings — extended the campaign messaging and provided the same calls-to-action as other deliverables.

The campaign began in June 2019 and the communications ran through March 2020.

Significance of Improvement

The campaign's impact was significant in two key ways. First, it drove a sizable number of participants to take positive steps toward improving their retirement readiness (as discussed in the next section). Second, it was a clear demonstration of the power of a focused message with a clear call to action.

The MWD Deferred Compensation Advisory Committee recognized that a single message in a single medium can be easy to overlook or ignore, so they opted for a diverse mix of deliverables and channels to increase the likelihood of capturing participants' attention. Just as importantly, all the materials featured consistent messaging and included a clear call to action — emphasizing the simplicity of increasing contributions with just three clicks. The campaign's messaging also reinforced the idea that saving for retirement doesn't have to mean sacrificing current quality of life for a distant future. Instead, the materials emphasized how the Plans make saving a simple and seamless part of a rich here-and-now.

Measurable Benefits and Results

Metropolitan Water District's push to find creative ways to engage participants in a new era of communications challenges delivered compelling results, including:

- An impressive 11.3% of active 457(b) participants and 9.8% of 401(k) participants increased their contribution levels during the campaign period.
- The average contribution increased by 123% in the 457 Plan and 42% in the 401(k) Plan.
- 18% of the 457(b) participants and 13% of the 401(k) participants who increased contributions were inactive participants who chose to start saving again through the Plans.

These increases are clear proof that the campaign messaging was highly effective in encouraging participants to take positive action. The campaign's effectiveness can also be seen in the performance of the following email components of the campaign, which had open rates well above the financial industry standards of 23%:

- Fee holiday email - 69% open rate
- "Save Wisely, Live Boldly" email - 72% open rate
- Educational video email – 51% open rate

Also, nearly 15% of participants responded to the email invitations to watch one of the educational videos.

Feasibility of Use by Other Governments of Similar Size

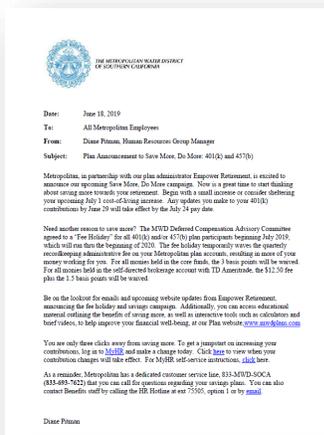
MWD's *Save More, Do More* campaign capitalized on communications channels and deliverables that most government plans of similar size might already have in their marketing and communications arsenals. Assuming other governmental entities can make a simple, highly focused case for saving more and delivering that message consistently across success waves with clear calls to action, they have the potential to boost contribution rates significantly.

**SUPPORTING DOCUMENTS – NAGDCA 2020 LEADERSHIP RECOGNITION AWARD
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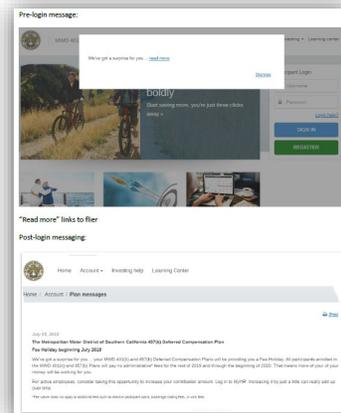
Fee Holiday statement stuffer



Fee Holiday/Save More plan announcement



Fee Holiday email



Fee Holiday pop-up message (pre-login)

METROPOLITAN WATER DISTRICT 401(K) AND 457 PLANS



**Save more.
Do more.**

Start saving more for retirement
Now is a great time to start thinking about saving more towards your retirement. Review your accounts to see whether the amount you're saving now is keeping up with your plans for the future.

Changing your contribution rate is easy and increasing it by just a little can add up over time. Start with a small increase or consider sheltering your upcoming July 1 cost of living increase which is scheduled to take effect on pay date July 24, 2019.

Increase your contribution! You're just three clicks away.
You can change your contribution amount by visiting [MyHR](#).

A little more now could become a lot more for your future

Saving **\$25** more a month now → → → Could add **\$180** more a month in retirement*

[mwdplans.com](#)
 833-MWD-SOCA (833-693-7622)




NOW IS A GOOD TIME

*HYPOTHETICAL PURPOSES ONLY. This is a hypothetical illustration to show the value of an increase in contributions. This hypothetical illustration is not intended as a projection or prediction of future investment results, nor is it intended as financial planning or investment advice. It assumes monthly contributions of \$25, a 6% average annual rate of return, and reinvestment of earnings with no withdrawals over a 30-year period followed by 20 years of monthly withdrawals of \$179.92, including a 6% average annual rate of return, beginning at age 65. Rates of return may vary. This illustration does not include any charges, expenses or fees that may be associated with your plan. The tax-deferred accumulations shown above would be reduced if these fees were deducted.

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Save more today | [VIEW ONLINE](#)



Metropolitan Water District 401(k) and 457 Plans



**Save wisely,
live boldly.**
You're just three clicks away.

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CHANGE YOUR CONTRIBUTION!
Log in to [MyHR](#) today.

QUESTIONS? CALL
[833-MWD-SOCA](tel:833-MWD-SOCA)
 (833-693-7622)

A little more now could become a lot more for your future

Saving **\$25** more a month now → → → Could add **\$180** more a month in retirement.*

NOW IS A GOOD TIME

[Save more, do more email](#)



Metropolitan Water District




Let's learn the easy way

Take charge of your financial future — two videos at a time.

Want to stay in the know?

With two new educational videos each quarter from your MWD 401(k)/457 retirement plans, you'll learn quick and easy tips to help you start saving more — or manage the money you've already worked so hard to save.

Come see for yourself!

- Increase Your Contributions
- Protecting Your Retirement Savings

NOW IS A GOOD TIME

LOG ON

If you can't watch right now, no problem! All videos are just a click away at [mwdplans.com](#) under the Learning Center tab.

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Save wisely, live boldly.
Start saving more, you're just three clicks away.

Participant Login

Username

Password

[Forgot?](#)

[SIGN IN](#)

[REGISTER](#)



Start saving for your future
Enroll in your plan today for a better retirement tomorrow.



Self-directed brokerage
Learn more about the self-directed brokerage account offered through TD Ameritrade.



Schedule a meeting
Register for a group meeting or one-on-one session.

[Two new videos. One new you. Brainshark email](#)

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