

**NAGDCA 2022 Leadership Recognition Award**  
**City and County of Honolulu Deferred Compensation Plan**  
**Participant Education & Communication**

**Plan Profile**

The City and County of Honolulu is a 457(b) deferred compensation plan established July 1, 1979 and is available to eligible employees of the City and County of Honolulu. The Deferred Compensation Committee, which consists of seven committee members, manages the plan which has assets exceeding \$950 million and serves more than 9,500 participants.

**Background Information**

While many employers scaled back operations at the onset of the pandemic and struggled to define a “new normal,” the City and County of Honolulu recognized that this could be detrimental to the retirement progress employees had made to date. The City and County of Honolulu decided to further increase participation and the retirement readiness of their participants while also increasing the digital engagement of plan participants by increasing the frequency and scope of communications, communicating in a more efficient and targeted way and helping participants improve retirement outcomes.

This also meant pivoting to a virtual engagement model with the goals of protecting the health and safety of participants and Plan representatives. Plan representatives during this time, were not providing in person meetings and individuals were encouraged to call the local office to speak with and/or set up a zoom meeting with a representative. During this time, the Plan representatives were more visible then the last couple of years which correlated to higher turnout.

**Goals**

In 2021, the Plan, along with its recordkeeper, Voya Financial®, partnered together to implement a detailed strategy for the year with the overarching goal of increasing plan engagement and overall participation. The strategy included five key tactics:

- Encourage active participants to access their account online and go paperless for delivery of documents with e-Delivery to increase digital engagement;
- Encourage active employees, to review their existing Plan account beneficiary or to designate one for the first time;
- Motivate individuals to understand the importance of increasing their deferral amounts to maximize their savings;
- Increase participation and enrollment through the Benefits Processing sessions; and
- Promote online account registration and regular account access.

**In their own words**

*One of the many benefits of working for the City and County of Honolulu is the deferred compensation program, which allows employees to put money away for retirement while reducing taxes. The best time to start planning for retirement is twenty years ago. The second best time is today. I encourage all of the employees of the City and County of Honolulu to take advantage of this program and start planning for the future.*

- *Message from Mayor Rick Blangiardi*

## Program Objective

For many employees, their journey to retirement officially begins when they enroll in their retirement savings plan. It's a pivotal experience that can help create successful savings habits for years to come. Offering online enrollment can help put employees on the path to be retirement ready right from the start by offering an easily accessible process with a simple and modern digital experience. It also encourages the immediate behavior of being engaged with their retirement plan and trains employees to embrace the online and digital tools available through Voya right from the start of participation.

Living in an age of a 'set it and forget it' mentality, when a participant enrolls and elects their contribution in percentage or dollar amounts it could remain at that number for some time. By displaying a visual of increased contributions of small increments over time, participants can see how their contributions may grow as their salary increases over time.

While the goal was to encourage maximizing savings and increasing deferral amounts in the Plan, there was also an opportunity to drive participants online for account maintenance, increased digital and Plan engagement.

## Results

Despite the hurdle of engaging employees during a global pandemic, each of the five communications efforts began in March and continued throughout October of 2021 exceeding engagement expectations. Each email and mailer offered unique perspectives and clear calls-to-action which led to positive results during an uncertain time.

### e-Delivery Campaign

This campaign was sent to a total of 6,191 active and contributing participants, who had not signed up for e-Delivery, to encourage those participants to access their account online, contact the call center and their local Voya representatives to elect paperless for delivery of documents with e-Delivery. The communications were deployed via email and mail.

#### Email Results

- Participants targeted: 6,191
- Opened email: 2,068 (37%)
- Unique Clicks: **90 (4.35%)**

#### Mail Results

- Participants targeted: 5,054
- Signed up for e-Delivery: **618**
- Average Response Rate: **12.22%**



Simplify your retirement planning [weblink/HTML]

City and County of Honolulu

Go paperless and make your life easier

Log in today

We encourage you to simplify your experience by choosing to go completely paperless - a simple and secure way to review your statements and correspondence.

- Feel secure that documents have not been lost in the mail.
- Save time - stop storing, organizing and shredding documents.
- Reduce clutter in your mailbox and on your desk.
- Print only what you need. Statements and documents are available 24/7.

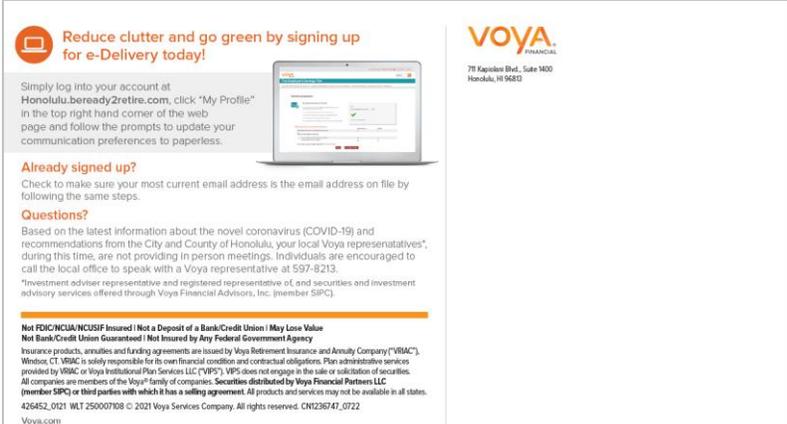
Reduce clutter and go green by signing up for e-Delivery today!

Simply log into your account at [Honolulu.beready2retire.com](https://Honolulu.beready2retire.com), click "My Profile" in the top right hand corner of the web page and follow the prompts to update your communication preferences to paperless.



City and County of Honolulu Deferred Compensation Plan

Go paperless and make your life easier!



Reduce clutter and go green by signing up for e-Delivery today!

VOYA FINANCIAL

71 Kapiolani Blvd., Suite 1400  
Honolulu, HI 96813

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**Already signed up?**  
Check to make sure your most current email address is the email address on file by following the same steps.

**Questions?**  
Based on the latest information about the novel coronavirus (COVID-19) and recommendations from the City and County of Honolulu, your local Voya representatives\*, during this time, are not providing in person meetings. Individuals are encouraged to call the local office to speak with a Voya representative at 597-8213.

\*Investment adviser representative and registered representative of, and securities and investment advisory services offered through Voya Financial Advisors, Inc. (member SIPC).

Not FDIC/NCUA/NCUA/NCUSIF Insured | Not a Deposit of a Bank/Credit Union | May Lose Value | Not Bank/Credit Union Guaranteed | Not Insured by Any Federal Government Agency

Insurance products, annuities and funding agreements are issued by Voya Retirement Insurance and Annuity Company ("VRAC"), Windsor, CT. VRAC is solely responsible for its own financial condition and contractual obligations. Plan administrative services provided by VRAC or Voya Institutional Plan Services LLC ("VIPS"). VIPS does not engage in the sale or solicitation of securities. All companies are members of the Voya® family of companies. Securities distributed by Voya Financial Partners LLC (member SIPC) or third parties with which it has a selling agreement. All products and services may not be available in all states. 425452\_0721\_WLT 250007108 © 2021 Voya Services Company. All rights reserved. CN229347\_0722

Voya.com

When compared to early 2020, participants who signed up for e-Delivery increased by 10%. E-delivery subscription rates have gone from 25% to 35% as of December 2021. This is largely credited to our consistent communications approach of sharing key ideas with participants, such as: going paperless is a simple and secure way to receive, review statements and correspondence. It also helps to reduce clutter in your mailbox and on your desk.

## Beneficiary Campaign

This campaign was sent to all 5,402 active and terminated participants with a balance in the Plan to encourage individuals to review their existing beneficiary(ies) or designate one for the first time. The campaign encouraged participants to go online to [Honolulu.beready2retire.com](https://Honolulu.beready2retire.com) or contact their local Voya representative. The communications were deployed via email and mail.

### Email Results

- Participants targeted: 5,104
- Opened email: 2,585 (51%)
- Unique Clicks: **349 (13.5%)**

### Mail Results

- Participants targeted: 318
- Added a beneficiary: **33**
- Average Response Rate: **10.4%**

**Review your beneficiaries today** (SEARCH/EMAIL)

**VOYA FINANCIAL**

Secure your future... and theirs

**Review or name your beneficiaries for your retirement account today!**

Designating beneficiaries for your City and County of Honolulu Deferred Compensation Plan account helps make sure that, in the event of your death, your wishes are being followed. It can ensure the savings you've worked so hard to accumulate are passed along to protect the people who matter most to you.

**It's easy to get started**

- Visit [Honolulu.beready2retire.com](https://Honolulu.beready2retire.com) and log in or register your account.
- Click **Add/Edit Beneficiary** information from the Personal Information menu.
- If beneficiaries are already listed, no action is needed unless you want to make changes.

**Designating a beneficiary is easy. Don't wait! Do it today!**

**Log in today**

**Did you know?** Naming a loved one with special needs as a beneficiary could have an unintended impact on his or her eligibility for government benefits. Those with as little as \$2,000 in assets or income may be ineligible for key needs-based government benefits such as Supplemental Security Income (SSI). Learn more about beneficiary planning at [VoyaCares.com](https://VoyaCares.com).

**Questions? Need Help?**  
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\*Investment advisor representative and registered representative of, and securities and investment advisory services offered through, Voya Financial Advisors, Inc. (member SIPC).

**Pitch the paper and go green with e-Delivery**  
Log in to your account at [Honolulu.beready2retire.com](https://Honolulu.beready2retire.com) and select My Profile. Follow the instructions to update your communication preferences to email instead of paper notices.

Secure your future... and theirs

**City and County of Honolulu Deferred Compensation Plan**

**Review or name your beneficiaries for your retirement account today**

Designating beneficiaries for your City and County of Honolulu Deferred Compensation Plan helps make sure that, in the event of your death, your wishes are being followed. That's because it can ensure the savings you've worked so hard to accumulate are passed along to the right people.

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**Designating a beneficiary is important**

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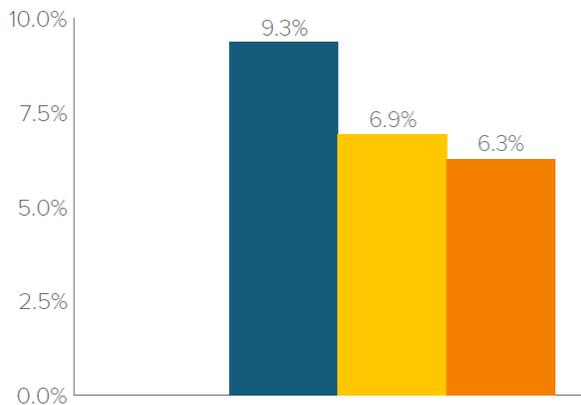
When compared to early 2020, the City and County of Honolulu had 335 participants update their beneficiaries. In 2021, an additional 382 participants made a beneficiary change. This is a yearly campaign which stresses the importance of protecting the ones we love, a key focus for the City and County of Honolulu.

## Save More Campaign

In an effort to motivate active participants to understand the importance of increasing their deferrals and maximizing savings, an email was deployed encouraging individuals to visit the Plan website and increase contributions.

- 5,649 participants targeted
  - 2,351 opened the email (46%)
  - **80** participants made contribution rate changes within 6 weeks of the email (3.4%)
- Contribution rates have seen an increase and are above the industry benchmark, as well as our provider's Plan average (below) resulting in average account balances nearing \$100k.
  - New enrollments have an average deferral rate of 10%.
  - The City and County of Honolulu Deferred Compensation Plan has a participation rate of 87.1% with total Plan assets having grown year over year from \$854,777,110.54 in 2020 to \$977,241,933.69 in 2021.

■ Your Plan ■ Industry Benchmark ■ Voya Plans



Define your retirement [weblinkHTML]





# Frame your future

### Save more today

Just as Rome wasn't built in a day, your retirement savings can be built on small contributions over time. Now may be the time to watch your savings potentially grow by increasing your contribution rate today!

See how much you can save if you increased your contribution by just 1% each year until you reach your goal rate\*, in the City and County of Honolulu Deferred Compensation Plan.<sup>1</sup>

|   | Accumulated value after: |          |           |           |
|---|--------------------------|----------|-----------|-----------|
|   | 5 years                  | 10 years | 20 years  | 30 years  |
| If you contribute <b>6% each year:</b>                              | \$17,510                 | \$41,138 | \$116,044 | \$252,437 |
| If you <b>increase</b> your 6% contribution by <b>1% each year:</b> | \$20,428                 | \$47,994 | \$135,384 | \$294,510 |
| Potential benefit of annual contribution rate increase:             | \$2,918                  | \$6,856  | \$19,340  | \$42,073  |

\*Based on a goal rate of 15%.

Rewrite your future. Save more today.

Remember, if you are changing from one contribution type (percentage or dollar amount) to the other, make sure you remove the other election by changing it to 0% or \$0.

Attention Board of Water Supply (BWS) employees: The option to make an online contribution change is not currently available to BWS employees. Please contact a Voya Representative in our Honolulu Service Center to make a change to your contribution.

**Questions?**  
Your local Voya representatives<sup>2</sup> are providing in person appointment only meetings. Individuals are encouraged to call the local office to speak with a Voya representative at 597-8213.



## Participation and Enrollment

Increased participation and enrollment are the core focus areas of onsite Plan representatives. This is reinforced in the new hire Benefit Processing orientation sessions which are held weekly every year. During these ten to fifteen minute sessions, employees learn about their benefits and are encouraged to enroll in the Plan using the EZ enrollment form.

Being a voluntary governmental plan and still utilizing paper enrollment, the City and County of Honolulu has a participation rate that is at the top of their plan peer group and has seen significant growth year over year.

In 2019, pre-pandemic, the Benefit Processing orientation sessions generated 461 new enrollments out of 829 eligible employees, resulting in a 55% enrollment rate.

In 2021, the orientation sessions generated 318 new enrollments out of 526 eligible employees, resulting in a 60% enrollment. New enrollments have an average deferral rate of 10%. In addition, the fire department recruit class had a 93% enrollment rate (23 out of 27 eligible employees enrolled in the Plan).

To date, the City and County of Honolulu Deferred Compensation Plan has a participation rate of 87.1%, higher than the industry benchmark of 73.4%.

**CITY AND COUNTY OF HONOLULU**  
**457(b) DEFERRED COMPENSATION PLAN**  
**EZ ENROLLMENT / PARTICIPATION AGREEMENT**  
 City and County of Honolulu YFZB13  
 Board of Water Supply YFZB14

**PARTICIPANT INFORMATION**

Name: \_\_\_\_\_ (Last) (First) (Middle)  
 Address: \_\_\_\_\_ (Number & Street) (City) (State) (Zip Code)  
 Social Security Number: \_\_\_\_\_ Date of Birth: \_\_\_\_\_ Dept: \_\_\_\_\_  
 Gender:  Male  Female Date of Hire: \_\_\_\_\_ E-mail: \_\_\_\_\_

**DEFERRAL ELECTION**

Pre Tax Deferral Amount: \$ \_\_\_\_\_ of \_\_\_\_\_ % per pay period (min \$122.00 Pk total contribution)  
 Roth Deferral Amount: \$ \_\_\_\_\_ of \_\_\_\_\_ % per pay period (min \$122.00 Pk total contribution)

**EMPLOYEE AGREEMENT TO PARTICIPATE IN THE CITY AND COUNTY OF HONOLULU 457(b) DEFERRED COMPENSATION PLAN**

The City and County of Honolulu (the "employer") has established a Section 457(b) Deferred Compensation Plan (the "Plan") for the benefit of its employees. The Plan provides that eligible employees may elect to join and become participants in the Plan (subject to the limitations established in the Plan) upon executing and filing a participation agreement with the employer.

The employee and employer agree to the following:

- Employee has received a packet of information outlining the Deferred Compensation Plan, as well as an enrollment kit which includes information about the contract and investment options.
- Employee will provide employee with a current copy of the Plan document upon request.
- Employee elects to participate in the Plan and agrees to make contributions to the Plan in accordance with the Plan and Internal Revenue Code. The maximum amount that may be deferred under the Plan for the current year is generally the lesser of 100% of compensation or the applicable IRS annual dollar limit. Vesting occurs at 10% per pay period.
- Employee agrees that all rights to the deferred compensation shall be governed by the terms and conditions of the Plan.
- Employee understands he or she is electing to utilize the City and County of Honolulu EZ Enrollment / Participation process and will serve as his or her contribution source in the default fund identified below which has been designated by the Employer. The Employer can change his or her investment allocations at any time by following the instructions provided below.

| Your Date of Birth        | Fund # | Fund Name                          |
|---------------------------|--------|------------------------------------|
| 12/31/1947 and earlier    | 741    | Vanguard® Target Retirement Income |
| 01/01/1948 and 12/31/1952 | 741    | Vanguard® Target Retirement 2015   |
| 01/01/1953 and 12/31/1957 | 1296   | Vanguard® Target Retirement 2020   |
| 01/01/1958 and 12/31/1962 | 926    | Vanguard® Target Retirement 2025   |
| 01/01/1963 and 12/31/1967 | 1207   | Vanguard® Target Retirement 2030   |
| 01/01/1968 and 12/31/1972 | 741    | Vanguard® Target Retirement 2035   |
| 01/01/1973 and 12/31/1977 | 1208   | Vanguard® Target Retirement 2040   |
| 01/01/1978 and 12/31/1982 | 746    | Vanguard® Target Retirement 2045   |
| 01/01/1983 and 12/31/1987 | 1209   | Vanguard® Target Retirement 2050   |
| 01/01/1988 and 12/31/1992 | 2473   | Vanguard® Target Retirement 2055   |
| 01/01/1993 and 12/31/1997 | 3447   | Vanguard® Target Retirement 2060   |
| 01/01/1998 and later      | 8065   | Vanguard® Target Retirement 2065   |

This agreement will be effective the first full payroll period of the month following the date this form is received and processed.

TO TRANSFER/CHANGE INVESTMENTS CALL 1-800-541-4861 OR VISIT <https://honolulu.beready2retire.com>

Page 1 of 2 Order #P8181 (03/20/2022)  
TM BENEFMNT

## Account Registration Campaign

Voya and the Plan recognizes the importance of safeguarding participant financial accounts and personal information against the ongoing risk of fraud, cyber threats, and other unauthorized activity. This is essential to building a successful relationship and maintaining trust.

In an effort to continue to promote online account registration and regular account access, an email was deployed to 927 active participants with a balance who have not registered their account online. The email encouraged participants to go to Honolulu.beready2retire.com or contact their local Voya representative for assistance.

- 927 participants targeted
- 368 opened the email (40%)
- 60 participants registered their account online (16.3%)

**Keep your account secure**

**VOYA FINANCIAL**

**Keep your account secure**

According to our records, you have not yet registered your City and County of Honolulu Deferred Compensation Plan account online.

Registering your account is an important first step in keeping your account information secure. Not only does it help you access tools and resources for your account, but it takes advantage of Voya's layers of strong online security to help provide protection against the ongoing risk of fraud and cyber threats. Be your own first line of defense in protecting your account and identity.

**Register your account today**

**Voya's S.A.F.E.® Guarantee**

If any assets are taken from your workplace retirement plan account due to unauthorized activity and through no fault of your own, we will restore the value of your account, subject to you taking action to satisfy the following key steps:

1. Register your account online.
2. Review your account information on a regular basis and keep your contact information current.
3. Promptly report any suspected identity theft or unauthorized activity.
4. Practice safe computing habits.

Take action on securing your accounts today. For more information, go to: <https://www.voya.com/articles/safe-guarantee>.

**Questions?**

Your local Voya representatives\* are providing in person meetings on an appointment only basis. Telephone appointments may also be made. Individuals are encouraged to call the local office to speak with a Voya representative at 597-8213.

**CITY AND COUNTY OF HONOLULU**

When compared to early 2020, participants who have utilized web registration has increased by 7%. Account registration has gone from 44% to 51% as of December 2021. This is largely credited to our consistent communications approach of reminding participants that 'you are your own first line of defense' when it comes to protecting their accounts and identity.

Overall, we are extremely pleased with the results associated with the five key tactics with the overarching goal of increasing plan engagement and overall plan participation. Results show that participants are contributing at levels higher than peers, participants engage and act based on digital outreach as a result of e-delivery, and more employees are now engaging in the City and County of Honolulu Deferred Compensation Plan.