



Fund Replacement Planned for the Custom LifeCycle Funds

At its meeting on December 7, 2018, the Board of Trustees voted to enter into a contract services agreement with The Vanguard Group to provide its Vanguard Institutional Target Date fund series to replace the custom LifeCycle funds. The effective date of the change is scheduled for the beginning of the Second Quarter 2019. Stay tuned for additional details on the new institutional target retirement date fund series.



Fund Updates

On the Watch List: At its meeting on September 7, 2018, the Board of Trustees voted to place the Wellington Research Value Fund on the watch list due to the fund's underperformance. The Board will continue to monitor the performance of the fund.

Stable Value Fund

Effective January 1, 2019, the First Quarter 2019 rate is **3.09%**.

Have You Upgraded Your Island Savings Account Yet?

During the Fourth Quarter 2018, the Island Savings Plan enhanced the Plan website by adding a new financial wellness experience. The new year is the perfect time to focus on your financial future and take advantage of the new tools and resources designed to help you on your personal financial wellness journey. If you haven't already, log in to your Plan at prudential.com/islandsavings to accept the upgrade and follow the instructions to complete your registration. Then you can:

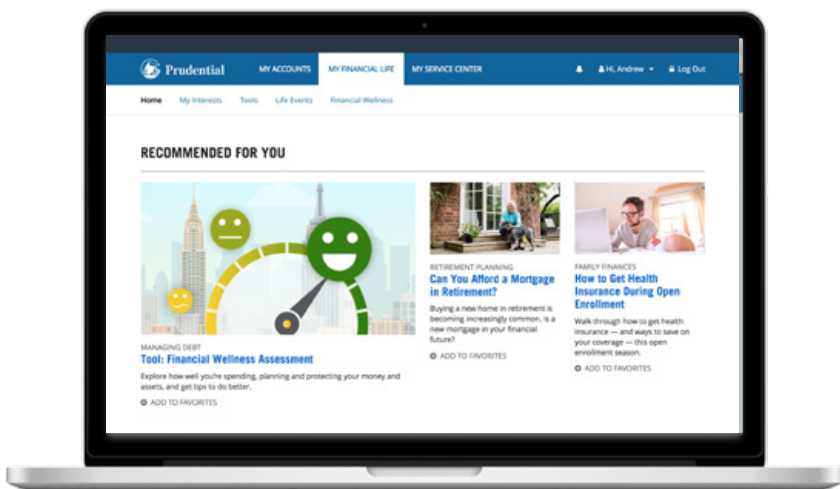
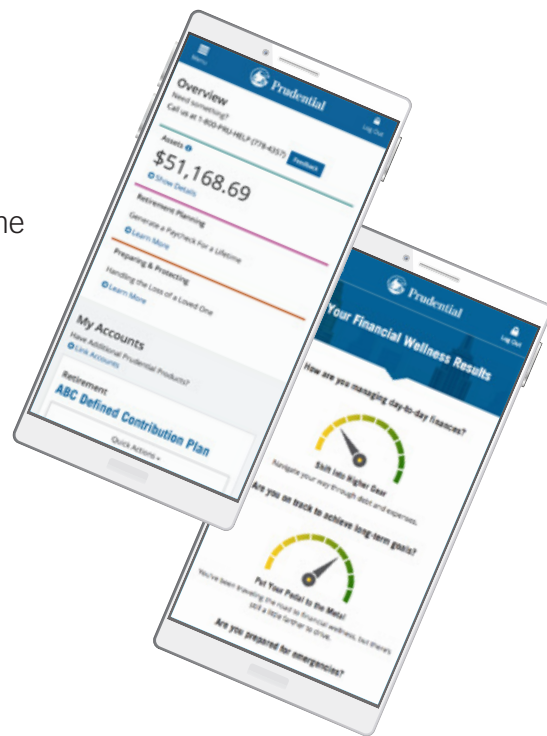
- See all your Prudential accounts in one place
- Take the Financial Wellness Assessment
- Create and manage a budget with the Plan a Budget tool

Log in to upgrade at prudential.com/islandsavings. You will need to set up a new profile to access your Plan account and the upgraded experience.

Don't have a web account? No problem. Select Register Now. Go green! Sign up for e-delivery to receive transaction confirmations and account statements faster through email notifications. After you register your account online, click on 'View Details' or 'State of Hawaii Deferred Compensation Plan. If you already have an email address set up, simply click on the 'Statements & Documents' option and change your Delivery Preferences to E-Delivery for each option listed.

Your new digital experience will help you assess where you may need to make a change to your financial plan, address day-to-day money matters, budget more effectively and more!

Once you enter the upgraded website, the State of Hawaii Board of Trustees and the State Deferred Compensation Plan are not responsible for and do not have oversight over the content or materials on the Prudential website.



Year-end Tax Information

Did you have a taxable event in 2018? You may obtain your 1099, 1099R, 1099-INT and other tax documents online.

- Log in to prudential.com/islandsavings
- At the bottom of your account home page click 'View/Print E-Documents'
- Select 'Tax Forms' and '2018'

Tax statements were mailed by Prudential Retirement® during the month of January (through January 25, 2019). Please note your tax form may be found on the back of the first page in the mailing.

Tax statements were also released for electronic access on January 12, 2019. Requests for a re-issue of paper forms will be processed, but the form may also be accessed electronically and printed.

In Preparation for 2019!

New Contribution Limits

2019 IRS limits have increased by \$500, making the maximum contribution \$19,000, or \$25,000 if you're 50 or older. As a participant in the Island Savings Plan, you may contribute up to 99%* of your monthly compensation (minimum \$10 per pay period) toward the IRS limit.

Regular, Age 50+ and Special Catch-up Contributions

Plan Contribution Limit	2018	2019
If you're younger than age 50	\$18,500	\$19,000
If you're age 50 and older (includes catch-up contribution amount of \$6,000)	\$24,500	\$25,000
Special 457(b) Catch-up (during the three years prior to retirement)	\$37,000	\$38,000

*Note: Only employees of the State of Hawaii and County of Hawaii divisions can elect a contribution percentage. Employees of the County of Kauai, County of Maui, County of Hawaii Water District and Waialae Elementary Public Charter School must choose a dollar amount to contribute.

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Kalei Rapoza

Employee Member, University of Hawaii at Hilo, Human Resources

Island Savings Plan Info Line: 888-71-ALOHA (888-712-5642)

Automated toll-free phone number is available 24/7.

- **Select “1” to speak with a Participant Service Representative**
Monday through Friday, 2:00 a.m. to 3:00 p.m. HST (Daylight Savings), or 3:00 a.m. to 4:00 p.m. HST (after Daylight Savings ends).
- **Select “2” to contact a local Island Savings Plan Retirement Education Counselor**
Monday through Friday, 8:00 a.m. to 5:00 p.m. HST, and Saturdays, 8:00 a.m. to 12:00 p.m. HST.
- **Website: prudential.com/islandsavings**



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Office Hours

8:00 a.m. to 5:00 p.m. HST
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Free Parking

Entrance on Alakea Street,
parking ticket validated at
the local office.



Prudential

Investors should consider the fund’s investment objectives, risks, charges and expenses before investing. The prospectus, and if available the summary prospectus, contain complete information about the investment options available through your Plan. Please call 888-712-5642 for a free prospectus, and if available a summary prospectus, that contain this and other information about our mutual funds. You should read the prospectus and the summary prospectus, if available, carefully before investing. You can lose money by investing in securities.

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