



# news

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## Employees' Benefits Fair In New Location Well Attended

On May 9, 2012, approximately 600 employees attended the Employees' Benefits Fair held for the first time on the grounds of Bishop Museum in Honolulu.

Employees took the opportunity to meet with some members of the Plan's Board of Trustees and talk with representatives from the Plan and the Plan's investment fund companies. Also on hand to provide information on employment benefits were representatives from the HI 529 College Savings Plan, the Employees' Retirement System (ERS), and the EUTF Health carriers, including the newest prescription service carrier, CVS Caremark.

Positive feedback was received from attendees who indicated that they liked the Fair's new venue and found the information and sessions very helpful. Thank you for your continued support of the Employees' Benefits Fair! ●



## Important Fund Updates

As a reminder, on June 25, two new options were added to the Plan's investment menu.

**Schroders Global Emerging Markets (GEM) Equity Strategy (SEMNX)** provides exposure to a range of developing countries around the world. These countries are generally characterized by a stronger growth potential than mature economies, which leads to the opportunity for higher returns. The fund is managed by Schroder Investment Management North America Inc.

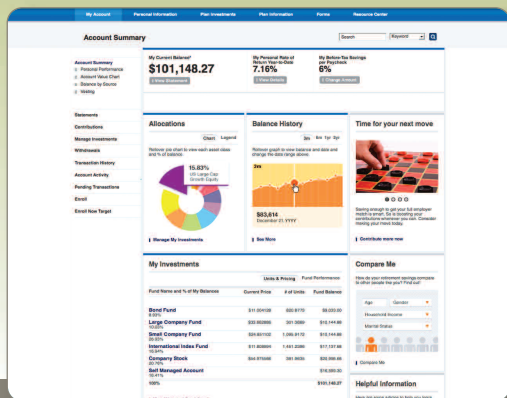
**JP Morgan Diversified Real Return Fund (JRLRX)** is a multi-asset class fund that seeks to protect investors from the eroding effect of inflation by investing in inflation-sensitive securities and asset classes such as Treasury Inflation Protected Securities, CPI-U swaps, real estate investment trusts, commodities, natural resources, and infrastructure. The fund is provided by J.P. Morgan Asset Management.

Fund fact sheets describing the funds and their investment objectives, risks, fees, and expenses are available online at <https://islandsavings.ingplans.com> or by calling (888) 71-ALOHA. You should carefully read and review all investment information prior to making any investment decisions.

In the coming months, the Bernstein International Value Collective Trust will be replaced with a new international value fund manager due to its continued underperformance against its long-term benchmark.

**Stable Value Fund:** Effective July 1, 2012, the third quarter 2012 rate is 3.57%.

**On the watch list:** Century Small/Mid Cap Growth Fund and Harbor Small Cap Value Fund.



## New Online Account Summary Page

The Account Summary Page on the Plan's website has a new look. Now you can quickly see key account details in one place on the new Account Summary Page after you log into your Plan account at <https://islandsavings.ingplans.com>.

Without leaving the page, you will see your current account status, balance history, and investment allocations displayed in engaging graphics. Watch for personalized messages that call your attention to areas of your account that could benefit from taking positive action! ●

#### LOCAL OFFICE

1003 Bishop Street  
Pauahi Tower, Suite 1160  
Honolulu, Hawaii 96813

#### OFFICE HOURS

8 a.m. to 5 p.m. (HST)  
Monday – Friday

#### FREE PARKING

Validate your parking ticket  
at the Local Office  
Bishop Square Parking Garage  
(entrance on Alakea Street)

#### INFORMATION LINE

1-888-71-ALOHA (1-888-712-5642)

6 a.m. to 5 p.m. (HST)  
Monday – Friday

6 a.m. to 12 p.m. (HST)  
Saturday

#### PLAN'S WEBSITE

<https://islandsavings.ingplans.com>

#### STATE WEBSITE

<http://hawaii.gov/hrd>

#### THOMAS KALILI

Big Island

#### KAPENA KIM

Oahu/Maui

#### PETER EDDY

Oahu/Kauai/Maui

#### ALBERT LEE

Oahu/Molokai

#### MELODY TAKACS

Plan Manager



# Don't Fall Behind In Setting Your Goals

Picture yourself in retirement. Do you think you can live on an average income of **\$1,500\*** per month?

If not, you may have a retirement income gap that may not be satisfied between your retirement pension and Social Security. Keep in mind that these sources may be your fixed income through your retirement years. Will you have sufficient resources to cover any additional living and other unexpected expenses? Having supplemental retirement savings could help you access additional income when needed. It also helps to ensure retirement preparedness and security. By setting goals toward saving for retirement, you could plan to live comfortably during your retirement years. Here are some considerations.

When it comes to retirement, most young Americans haven't started saving, and a majority of all ages don't know how much to save, according to two recent surveys:

- A LIMRA survey conducted in April 2012 found that Americans ages 18-34 were more likely (56%) to be among those not contributing to any retirement plan.
- According to the *2012 Retirement Confidence Survey* by the Employee Benefit Research Institute, more than half of workers (56%) report they and/or their spouse have not tried to calculate how much money they will need to have saved by the time they retire so that they can live comfortably.



## Start Saving Early

The reason is time is your ally when you are in your 20s and 30s. The earlier you begin saving, the less you may need to contribute to your accounts to reach your retirement goal, because of compounding.

The process of compounding has often been compared to the way a snowball grows as it rolls downhill. The longer the hill, the larger the snowball becomes. When you have 30 to 40 years to save and invest, this may also give you the opportunity to invest in options with greater growth potential and worry less about short-term market volatility. While past performance cannot guarantee future results, longer-term holding periods have often been associated with a lower likelihood of portfolio losses.

## Define Your Goals

Many people don't begin saving for retirement because they don't know how much they need to save for retirement.

Therefore, it's important to define your goals as specifically as possible. The Island Savings Plan offers these tools and services to help take the guesswork out of planning:

- Use the online calculators and educational audio and video clips on investing and retirement planning on the Plan website under *Resource Center*.
- Read the "Worth Knowing" series of articles on the login page of the Plan website about how to plan for retirement.
- Try the professional retirement planning and investment advice services available when you log into your Plan account online.
- Talk about your goals and options with a local Plan consultant by calling **(888) 71-ALOHA**. ●

\* Average annual Social Security benefit for a Hawaii retiree was \$13,752 or about \$1,146 a month in 2010. Source: AARP Social Security 2012 Hawaii Quick Facts

1-888-71-ALOHA Plan's Information Line  
<https://islandsavings.ingplans.com> Plan's website

This newsletter is not intended to provide legal, tax, or investment advice. For such advice, participants should contact their legal, tax, or investment advisers.



## quarterly calendar

Transactions made on this date when the New York Stock Exchange is closed will be processed the following business day.

- **Monday, September 3, 2012**