

The Spring Employees' Benefits Fair was well-attended

The Spring Employees' Benefits Fair was a big success! On May 29, 2019, the Island Savings Plan greeted approximately 500 employees at the Oahu Veterans Center in Foster Village in Honolulu. The Deferred Compensation Plan Retirement Education Counselors from Prudential Retirement®, the Plan's investment fund managers and other employee benefit representatives were all on hand for a full day of financial wellness and plan education.

All 7 of the Plan workshops were well attended, and the Go Green challenge was promoted to encourage participants to access online digital announcements and printed communications. Attendees were also encouraged to provide an email address for faster information delivery.

The Fair's exit survey recorded approximately 67% of attendees completing an electronic survey, with over 93% of respondents confident they obtained all the benefits and investment provider information they needed, and 93% of respondents indicating they would encourage a coworker to attend the Benefits Fair.

The Fair motivated approximately 33% of attendees to meet with the Retirement Education Counselors during the one on one consultations and take actions to enroll, increase deferrals and update the beneficiary information on their accounts.

Fund Updates

IMPORTANT NOTICE: **Regarding the MFS International Value Fund**

Effective June 1, 2019, the MFS International Value Fund* was renamed as MFS International Intrinsic Value Fund to align better with the distinctive value approach the fund has taken historically.

REMINDER: The Vanguard Target Retirement Funds launched on April 2, 2019.

The Vanguard Target Retirement Fund series provides a "do it for me" managed account service and an opportunity to invest in a wider range of funds outside of the Plan's existing core investment lineup:

- There are 12 Target Retirement funds offered in 5-year increments.
- Funds have a low investment management fee of 9 basis points (0.09%).
- Funds are professionally managed.
- Allocations automatically adjust to become more conservative as you approach retirement.
- Funds offer diversification through a single investment; the funds cover all major worldwide asset classes.

Especially as you near retirement, consider some ways to simplify the management of your Plan account and optimize your portfolio:

- Consider having the Vanguard Target Retirement Funds "do it for me" in a managed account service that will work for you during retirement.
- Consider the Vanguard Target Retirement Funds' low investment management fee of 9 basis points (0.09%) and the benefits of keeping more dollars in your pocket.

Funds on the Watch List: Wellington Research Value Fund

Stable Value Fund: Effective July 1, 2019, the Third Quarter 2019 rate is 3.02%.

* Registered mutual fund

Summer Lunch-n-Learn Workshop series returns

Due to the success of last year’s Summer Workshops, the Island Savings Plan is rolling out another series this summer that will again focus on the “Big Picture” of Retirement Income. Additionally, it will highlight how the new Financial Wellness program works with the Island Savings Plan to help manage day-to-day finances, protect against the unexpected and help set—and achieve—important financial goals, including retirement. This 30-minute workshop is designed to make employees think about the sources of their overall anticipated retirement income, including ERS Pension and Social Security, and how they can best manage finances today to position themselves for retirement (including participating in the Island Savings Plan).

Attendees may bring their lunch to these Workshops that take place at 11:00 a.m. and 1:00 p.m. on Wednesdays beginning in late July 2019 and running through August 2019. Last year over 130 employees participated and took positive actions. The Workshops will be scheduled at various locations on Oahu, the Big Island, Maui, and Kauai.

Seating is limited. Reserve your spot today!

Reservations required:

Please RSVP via email:
PR.ISP.Hawaii@prudential.com.

Provide your name, department, phone number, which date and the time of the session you’ll attend and the name of a coworker you’ll be bringing (if any).

Date	Island	Location	Times
Wednesday, July 31	Big Island	West Hawaii Civic Center, Bldg. A County Council Conference Room 74-5044 Ane Keohokalole Hwy Kailua-Kona, HI 96740	11:00 a.m.
			1:00 p.m.
Wednesday, August 7	Oahu	Alakea Corporate Tower 2nd Floor Conference Room 1100 Alakea Street Honolulu, HI 96813 Parking ticket validated at the event.	11:00 a.m.
			1:00 p.m.
Wednesday, August 7	Big Island	Pu’ueo Community Center 145 Wainaku Street Hilo, HI 96720	11:00 a.m.
			1:00 p.m.
Wednesday, August 14	Oahu	Windward Community College Hale Kuhina Room 115 45-720 Keaahala Road Kaneohe, HI 96744	11:00 a.m.
			1:00 p.m.
Wednesday, August 14	Kauai	Kauai Community College One Stop Center (OSC) Room 106 3-1901 Kaunualii Hwy Lihue, HI 96766	11:00 a.m.
			1:00 p.m.
Wednesday, August 21	Oahu	Alakea Corporate Tower 2nd Floor Conference Room 1100 Alakea Street Honolulu, HI 96813 Parking ticket validated at the event.	11:00 a.m.
			1:00 p.m.
Wednesday, August 21	Maui	UH Maui College Campus Room 103 Lecture Hall, Ka Lama Building 310 W Kaahumanu Ave Kahului, HI 96732	11:00 a.m.
			1:00 p.m.
Wednesday, August 28	Oahu	Kalanimoku Building 3rd Floor Conference Room 322-B 1151 Punchbowl Street Honolulu, HI 96813	11:00 a.m.
			1:00 p.m.
Wednesday, September 4	Oahu	Daniel K. Inouye International Airport Interisland Conference Center Terminal One, 7th Floor Rooms 3 (Iliahi) and 4 (Puhala) 400 Rodgers Blvd., Honolulu, HI 96819 Airport parking rates apply.	11:00 a.m.
			1:00 p.m.

The Island Savings Plan joins forces with the State of Vermont Retirement Plan



Take part in the “Go Green Challenge” that kicked off in May and runs through **August 23, 2019**.

To get in on the Challenge:

- Register your Islands Savings Plan account online and sign up for e-delivery.
- Go to islandsavings.preparewithpru.com. Click “Register/Login” and then “Register Now.”
- Sign up for e-delivery to receive transaction confirmations, account statements and quarterly newsletters 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 listed option. Once you sign up for e-delivery, you’ll get personalized financial wellness information, reduce mail clutter and worry less about misplaced documents. Already signed up? Make sure your email address is current and encourage your coworkers to sign up.

Consider that living in a way that is friendly to our environment is a step to a better future. To see how the State of Hawaii is comparing to the State of Vermont in the Go Green Challenge, go to islandsavings.preparewithpru.com/gogreen. 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, enhance your budget’s effectiveness 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.

How to Budget: The 50/20/30 Rule

Rent/mortgage, car payments, groceries, entertainment, savings... With so many competing priorities, it can often be hard to think about how to best divide your income. The 50/20/30 rule described below can help as a rule of thumb for budgeting—although personal situations can vary widely and may require a different way of looking at the percentage breakdown for each category. Here’s how the rule works:

- 1. Essential expenses:** No more than 50% of your take-home pay should go toward expenses in this category—which include housing, transportation, utilities and groceries.
- 2. Financial priorities:** At least 20% (or more!) of your take-home pay should go toward goals that help you build a strong financial foundation— including retirement contributions, other savings accounts and debt payments (such as car loans). These contributions and payments should be made after paying essential expenses and before any other spending.
- 3. Lifestyle choices:** No more than 30% of your pay should go toward discretionary spending, such as entertainment, hobbies, personal care, restaurants, shopping, charitable giving and other miscellaneous expenses.

These numbers, of course, are just general guidelines.

If you really want to boost your retirement savings (and other types of savings), consider adjusting these figures. Look at your monthly expenses and spending habits and contact an Island Savings Plan Retirement Education counselor at the Prudential Retirement Honolulu office for a copy of the budget worksheet to help you itemize those expenses.

Making minor changes in your routine can make a big difference! Some examples? Make your morning coffee at home. Bring your lunch to work. Get creative as far as entertaining yourself at home—rather than going out. Subtle shifts like this can help you more easily increase your savings target to 25%, while reducing the portion of your pay allocated to lifestyle expenses to 25%.

RETIREMENT EDUCATION COUNSELORS

Tom Kalili, *Big Island* Al Lee, *Oahu/Molokai/Lanai*
Kapena Kim, *Oahu/Maui* Kevin Malmud, *Plan Manager*
Peter Eddy, *Oahu/Kauai*

LOCAL OFFICE STAFF— RETIREMENT EDUCATION TEAM

Grace Baracao, *Oahu* Jeanne Kanai, *Oahu*

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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: www.prudential.com/islandsavings**



Prudential Retirement Honolulu Office

1100 Alakea Street, Suite 1550
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Office Hours

8:00 a.m. to 5:00 p.m. HST
Monday through Friday
8:00 a.m. to 12:00 p.m. HST, Saturdays

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.

Shares of the registered mutual funds are offered through Prudential Investment Management Services LLC (PIMS), Newark, NJ, a Prudential Financial company. Prudential Retirement is a Prudential Financial business.

The target-date is the approximate date when investors plan to retire and may begin withdrawing their money. The asset allocation of the target-date funds will become more conservative as the target-date approaches by lessening your equity exposure and increasing your exposure in fixed income investments. The principal value of an investment in a target-date fund is not guaranteed at any time, including the target-date. There is no guarantee that the fund will provide adequate retirement income.

A target-date fund should not be selected solely based on age or retirement date. Before investing, participants should carefully consider the fund’s investment objectives, risks, charges and expenses, as well as their age, anticipated retirement date, risk tolerance, other investments owned, and planned withdrawals.

The stated asset allocation may be subject to change. It is possible to lose money in a target-date fund, including losses near and following retirement. Investments in the funds are not deposits or obligations of any bank and are not insured or guaranteed by any governmental agency or instrumentality.

Retirement Education Counselors are registered representatives of Prudential Investment Management Services LLC (PIMS), Newark, NJ. PIMS is a Prudential Financial company.

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