

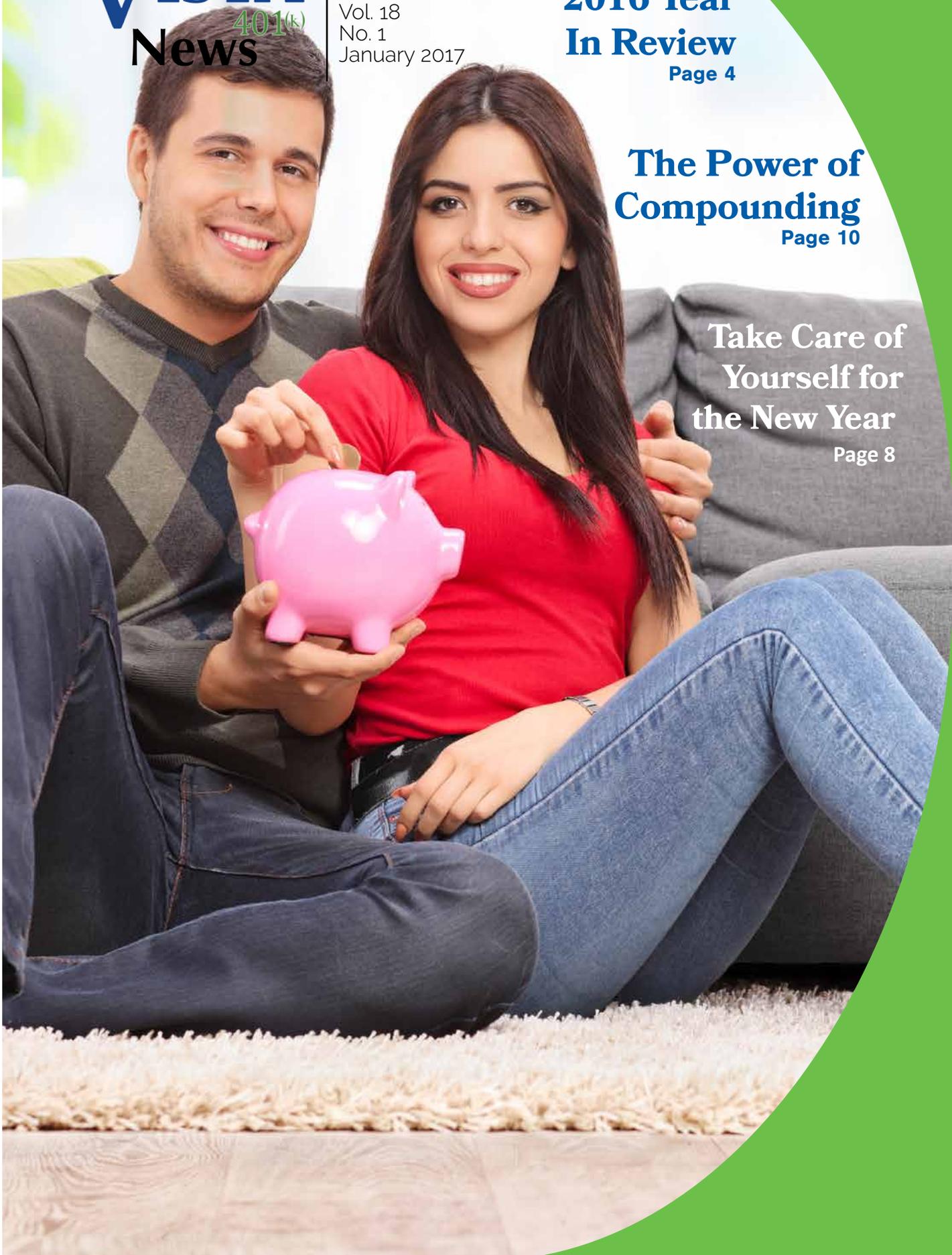
# VISTA News <sup>401(k)</sup>

Vol. 18  
No. 1  
January 2017

**2016 Year  
In Review**  
Page 4

**The Power of  
Compounding**  
Page 10

**Take Care of  
Yourself for  
the New Year**  
Page 8



# TABLE OF CONTENTS

- 4** 2016 Year In Review
- 6** Fund Performance Chart
- 7** Welcome to the New Vista 401(k) Website!
- 8** Investment Risk - Know Your Score
- 9** Take Care of Yourself for the New Year
- 11** The Power of Compounding
- 13** The DropBox
- 15** FAQ





## Download the Vista 401(k) App!

It's now easier than ever to plan your future with the Vista 401(k) mobile app. With the app, you'll have convenient access to both plan specific and general, investment-related information, including:

- Fund Performance
- Plan Highlights
- Forms
- Newsletters
- Videos

Download the Vista 401(k) Mobile App at the Apple App Store or Google Play today!





## 2016 Year in Review

By Michael Sheridan, Senior Consultant

What a year for the stock and bond market! As those of you have read this column over the decades know, I hate volatility – and that is what we got last year and, I fear, will get in 2017. Your plan did well for 2016 and every one of the funds had a gain for the year. However, there were quite different returns for some of the fund categories. Although the performance chart in this newsletter supplies you with specifics, here are my summary comments:

- American; Europacific, ended up almost flat for the year because of the volatility in Europe and parts of Asia, especially the impact of Brexit on the European community. I would avoid this sector until stability returns.
- The two Small Cap funds were our top performers by far, returning over 18% each, as these funds held stocks which had less exposure to global events.
- The two Mid Cap funds did ok, but the Fidelity; Growth Strategies did not – largely due to the selloff in the stocks of growth-oriented companies and in favor of undervalued or conservative stocks. We think that this fund will do better in 2017 (as it did in early January), but we must add it to our Watch List until that recovery is proven.
- Large Cap funds were tempered in their results with the most aggressive of our funds – T. Rowe Price; Blue Chip – ending up flat for the year. The composition of these growth funds is mainly in consumer discretionary and technology. The rally in Large Cap stocks this year was dominated by energy and financial companies, which have been in disfavor for some time. Traders decided that they were too undervalued and bought them up during the year. We still believe that the long-term prospects for energy and financial companies is mediocre at best and that is why we switched funds during the year to allow participants who want “new world” growth to take advantage of such offerings in the new funds. Large Cap Growth stocks averaged only a 1.8% gain for the year, but Large Cap Core averaged

10.1% and Large Cap Value (the category that included almost all energy and financial stocks during 2016), averaged 14.6%. As you know, Growth usually outperforms Value in bull markets.

- Our other three Large Cap funds, more conservative than their peer averages, reflected these market dynamics with gains in excess of 10% each.
- Our Balance funds did very well, considering their stock/bond mixture and were, in my opinion, our best performers considering their good 8% + returns, contrasted with their risk minimization. The risk/reward ratios worked in our favor.
- The new American; Target Date Retirement funds all performed well and outdid their sector competitors. These funds continue to provide sensible choices for most of our participants, based on their contemplated retirement targets.
- Bond funds went through a lot of volatility last year and I am glad that we recommended against long-term bond funds – even though they did well in 2015, because of the anticipation of interest rate increases and global instabilities. I am particularly interested in the American Century; Inflation-Adjusted Bond fund, as almost all analysts predict increased inflation for the first time in years, and these types of funds should do well. I agree.
- The Federal Money Market fund still is a good place to “park” money, but continues to not serve as an investment vehicle as long as interest rates stay low. Even though the Federal Reserve may raise interest rates as many as three times in 2017, they will still be lower than historical levels. When and If this fund becomes a viable investment alternative in the future, we will certainly inform you of such.

### **Some predictions for 2017:**

- The stock market will be volatile during this new President’s administration and will react daily to policy being set by Twitter, without described substance. I would reduce my position in Large Cap funds, unless you invest in the entire stock market through the Vanguard; Institutional Fund – which mirrors the S&P 500 index. Please remember that the Vista 401(k) is not a trading account. It is a long-term retirement plan. Speculation and trading activities are not how the plan is constructed. We will continue to avoid any funds that engage in that type of activity, even though some might be tempted to take advantage of volatility. As Will Rodgers once said, “I am more interested in the return of my money than the return on my money.” This is decent advice for 2017. Be conservative and balance your portfolio to fit your comfort level. Take the Investment Risk Profile test on our website for a “gut check”.
- Interest Rates will rise and US Government Bonds will be attractively priced as America remains the best place in the world for business and safety of your money.
- Small and Mid-Cap funds should do well because they are less vulnerable to Global turmoil. Their position in international commerce is less (sometimes, none at all) than Large Cap companies, which almost all have global activities.
- Balanced funds should provide for some stability for the turbulent times for this year. I recommend all three of them.
- Now, more than ever, please “Diversify, Diversify, Diversify!”

# December 2016 Fund Performance

Carefully consider the investment objectives, risks, charges and expenses of the underlying fund before you invest. This and other important information is contained in the prospectus, which should be read carefully before investing. You can request underlying fund prospectuses from the Vista 401(k) website at [www.vista401k.com](http://www.vista401k.com) or call us at 866-325-1278. Please note that investing generally involves various kinds of risk – market, inflation, interest rate, volatility etc.. Your principal is not guaranteed, and there is no guarantee that investment objectives will be achieved.

Fund Performance Chart			Current Fund Operating Expense	YTD December 2016	Average Annual Performance				Inception Date
Fund Company	Fund	Morningstar Category			1 Year	3 Years	5 Years	10 Years	
<b>TOTAL RETURNS (%) as of 12/31/16; 1, 3, 5, and 10 year returns are annualized.</b>									
<b>International</b>									
American Funds	EuroPacific	Foreign Lg Growth	0.85%	0.7%	0.7	-0.9	6.9	2.6	04/06/84
<b>Small Cap Stock</b>									
Vanguard	Small Cap Index	Small Blend	0.08%	18.3%	18.3	7.0	14.8	8.2	11/13/00
T.Rowe Price	Small-Cap Stock	Small Growth	0.91%	18.6%	18.6	7.1	14.8	9.1	12/31/59
<b>Mid Cap Stock</b>									
Fidelity	Growth Strategies	Mid Cap Growth	0.91%	2.7%	2.7	6.4	13.2	6.0	12/28/90
Vanguard	Mid Cap Index	Mid Cap Blend	0.09%	11.2%	11.2	7.7	14.4	7.7	11/12/01
<b>Large Cap Stock</b>									
American Funds	Investment Company of America	Large Blend	0.64%	14.6%	14.6	8.1	14.1	6.3	01/01/34
T.Rowe Price	Blue Chip Growth	Large Growth	0.99%	0.7%	0.7	6.8	15.2	8.2	03/31/00
T.Rowe Price	Dividend Growth	Large Blend	0.91%	11.3%	11.3	8.4	13.7	7.0	12/30/92
Vanguard	Institutional Index Fund	Large Blend	0.04%	11.9%	11.9	8.9	14.6	7.0	07/31/90
<b>Balanced</b>									
Vanguard	Balanced Index	50% to 70% Equity	0.08%	8.8%	8.8	6.3	9.6	6.4	12/01/00
Vanguard	Wellesley Admiral	30% to 50% Equity	0.18%	8.2%	8.2	5.8	7.4	6.7	10/03/89
Vanguard	Wellington Admiral	50% to 70% Equity	0.18%	11.1%	11.1	6.9	10.5	7.0	12/31/59
<b>Mixed Asset Target Date</b>									
American Funds	2010 Target Date Retire	Tgt Date 2000-2010	0.52%	7.4%	7.4	4.3	7.1	N/A	02/01/07
American Funds	2015 Target Date Retire	Tgt Date 2015	0.52%	7.4%	7.4	4.4	8.0	N/A	02/01/07
American Funds	2020 Target Date Retire	Tgt Date 2020	0.52%	6.9%	6.9	4.6	8.9	N/A	02/01/07
American Funds	2025 Target Date Retire	Tgt Date 2025	0.55%	7.1%	7.1	4.6	10.4	N/A	02/01/07
American Funds	2030 Target Date Retire	Tgt Date 2030	0.56%	7.5%	7.5	5.0	11.1	N/A	02/01/07
American Funds	2035 Target Date Retire	Tgt Date 2035	0.58%	7.9%	7.9	5.1	11.2	N/A	02/01/07
American Funds	2040 Target Date Retire	Tgt Date 2040	0.58%	8.0%	8.0	5.1	11.4	N/A	02/01/07
American Funds	2045 Target Date Retire	Tgt Date 2045	0.60%	8.1%	8.1	5.2	11.5	N/A	02/01/07
American Funds	2050 Target Date Retire	Tgt Date 2050	0.60%	8.2%	8.2	5.3	11.5	N/A	02/01/07
<b>Bond</b>									
American Century	Government Bond	Intermediate Govmt	0.47%	0.9%	0.9	2.0	1.0	3.8	05/16/80
American Century	Inflation-Adjusted Bond	Inflation Protected	0.47%	4.7%	4.7	1.7	0.4	4.0	02/10/97
Fidelity Advisor	Total Bond	Intermediate Term	0.50%	5.7%	5.7	3.6	3.2	4.8	10/15/02
<b>Cash/Money Market</b>									
Vanguard	Federal Money Market	Money Market	0.11%	0.3%	0.3	0.1	0.1	0.8	07/13/81
<b>Broad Base Benchmarks</b>									
S & P 500 TR USD				12.0%	12.0	8.9	14.7	7.0	
Barclays US Aggregate Bond				2.7%	2.7	3.0	2.2	4.3	

Sources: [www.morningstar.com](http://www.morningstar.com) website 1/03/2017 and direct reports from the Fund Companies.

**There are no sales (front-end load), transfer or surrender charges for any of the Vista 401(k) funds. If the fund normally charges such a fee to the public, they have been waived to Vista 401(k) participants.**

Each mutual fund assesses a fee, which is a percentage of the total assets that they have under management. This fee, known as the Annual Fund Operating Expense, is comprised of Management fees, Distribution and/or Service (12b-1) fees and Other expenses. The fees shown in this column are expressed as a percentage of assets on an annual basis, i.e. 0.85% of assets. Fund expenses expressed in this table are sourced from [www.morningstar.com](http://www.morningstar.com), and verified annually through the fund prospectus.

#### Disclosure:

1. All performance information reflects that the fund's front-end or deferred charges, if any, have been waived.
2. Performance data represents past results and does not guarantee future results.

For further information, refer to the [www.vista401k.com](http://www.vista401k.com) website for additional fund information. You may also call the Vista 401(k) Plan toll free at 866-325-1278 to speak to a Retirement Services Team representative and obtain the most recent month end returns.



## Welcome to the New Vista 401(k) Website!

The Vista 401(k) Plan invites you to visit our recently launched, all new Vista 401(k) website! With an entirely new design, our website now provides you the ability to view the Vista 401(k) Plan anywhere and with any device!

Our new mobile-responsive website still provides all the information you've come to expect from the Vista 401(k) Plan, plus a brand new Blog section to keep you updated on recent market events and news.

As an overview, we simplified the menu selections needed to access important screens, such as the Investment Risk Profile. The Login menu is now located at the top right of the page – for convenient access and visibility using your mobile device. We reformatted the site and added a News page, to provide you easy access to current and past fund performance documents, newsletters and important updates about the Vista 401(k) Plan. We also added new content videos and reformatted our educational resources, including the FAQ page and our glossary.

We are very excited to share the updated website with you! As always, any feedback or comments you may have are greatly appreciated. Please visit the Contact Us page of the Vista 401(k) website to send us your feedback.



## Investment Risk - Know Your Score!

By Daniel Miller, Retirement Plan Analyst

The Risk versus Reward question is one that could be applied to almost every facet of our daily lives. There is an inherent risk for taking actions as routine as driving to work or using a power tool. Consequently, there is always a reward – sometimes as mundane as just completing a particular task – which follows the action involving risk that we take. Some of us are more inclined to take higher levels of risk, such as swimming with sharks or going skydiving than others who try to avoid risks altogether, such as air travel (even though it is statistically safer than transportation by car), at all costs. The same Risk versus Reward logic is applied to your investment choices.

All investments carry some level of risk. Stocks and corporate bonds may lose some, to all, of their value and impose a direct monetary loss risk. The same is true, to a lesser extent, of government bonds, such as Treasuries. Even a Certificate of Deposit can impose inflation risk by having a return that doesn't keep up with inflation – eroding the purchasing power of the money you invested. The level of risk imposed by an investment is also not a static figure, as stocks and bonds often fluctuate and move at different rates and for different reasons. One may conclude that it is best to avoid risk altogether and not invest, but that may be an unwise decision. Over time, the stock market has returned close to a 10 percent average year over year, while bonds have returned around six percent. Taking that chance and missing out on the potential to grow your investment resources will significantly impact your ultimate reward for investing – a secure retirement.

How you manage your personal tolerance for risk is one of the most important components of sound retirement planning. To make an informed decision, it is important to know what risk is carried by which investments, and how those risks align with your investment goals. To assist you, we created an Investment Risk Profile Questionnaire to help you identify your risk versus reward alignment. The Investment Risk Profile Questionnaire also suggests mutual fund allocations in the Vista 401(k) Plan – aligning with your risk score and providing general guidance on fund choices you are able to make. To access this questionnaire, visit our website at [www.vista401k.com](http://www.vista401k.com) and click the “Risk Profile Assessment” link from the home page.

We encourage you to complete this questionnaire for the personal insight it provides you. This helps ensure your investment selections in the plan are aligned with your personal level of risk tolerance. If you have any questions while completing the Investment Risk Profile, please call us at 1-866-325-1278 for additional assistance. Remember, the best investor is an informed one!



## Take Care of Yourself for the New Year

By Robert Pumphrey, Retirement Services Representative

Per Wikipedia, the definition of a resolution “is a tradition, in which a person makes a promise to do an act of self-improvement or something slightly nice for others.” With a new year upon us, many of us have thought of or already shared our annual resolution goals. So, let me pose the question, “While you are making your resolutions for the New Year, have you considered a commitment to ‘pay yourself first’ for 2017?”

One of the many options available to you is your school-sponsored Vista 401(k) retirement plan. For more than thirty years, Vista 401(k) has assisted all full-time school personnel, including: teachers, administrators, bus drivers, clerical workers, coaches, and janitors with their retirement goals. Investing in your 401(k) Account does not need to be burdensome, especially since the minimum investment is only \$25.00 per payroll deduction.

Two major advantages in investing into your Vista 401(k) Plan include: (1) **Pre-taxed Contributions** - each contribution is calculated before the deduction of taxes; therefore, reducing the amount of federal taxes you pay; (2) **Tax deferred Investment** - the income taxes and capital gains are paid at a future date, instead of in the period in which they are incurred. This is a very critical and proven benefit to you and your long-term savings program.

For many younger investors, saving can be a daunting task – but it does not have to be. We realize that you might just be starting out and saving at this point in your life for retirement that is, likely, 30 or more years away may not be a major priority for you. However, one of the best things that you can do for yourself are develop good habits by “paying yourself first.”

First of all, Vista 401(k) can make this saving habit easy for you as the contributions into your 401(k) Account will be automatically deducted from your paycheck. After a while, you won’t even know that amount is missing from your paycheck. For our younger investors, you are able to use time and the proven principle of compounding interest to your benefit. This is one of the most powerful forces when you earn on future returns on earlier returns over a long period of time.

For those of you who are already investing into your Vista 401(k) account, why not consider increasing your contribution amount this year? As small as \$5.00 extra a paycheck can go a long way – for a 20-pay employee, that is an extra \$100 a year and for 26-pay employee that is \$130. During the course of 10 years, that comes to \$1,000 more or \$1,300 more just with a small amount of money without even factoring in those compounding returns.

Be sure to check out the valuable retirement income calculator located at our website at [www.vista401k.com](http://www.vista401k.com) under “Learning Center” then “401(k) Tools” to assist you. In addition, while you are on our site, log into your account and change the amount of your contribution with just a few clicks! Under “Elections,” scroll down to “Change Contribution Amount” and enter the new amount. It’s that simple!

For our more mature investors, have you considered that it may be a great time to max out your 401(k) account? Once you have reached your 50s, you might be in a better position to financially afford higher contributions than a younger investor. For those participants 50 years of age or older, you can invest up to \$24,000 (\$18,000, plus \$6,000 catch-up) into your 401(k) in 2017. For a 20-pay employee based on using all payrolls, that is \$1,200 per paycheck and for a 26-pay employee it would be \$923.07 per check. Now, for many of us, we can’t just start contributing the maximum immediately. However, it’s possible to build up to maxing out your retirement contributions for the year. You can grow your contributions in increments by figuring up the number of years before you retire and how much you are contributing now. Maxing out your Vista 401(k) account is a good way to ensure you are building wealth for the future.

So, why not be “good to yourself” this New Year and implement one of the above scenarios? We are here to make it happen for you by answering your 401(k) questions. Feel free to call us at 866-325-1278 or drop us an email at [401k@vista401.com](mailto:401k@vista401.com). Read valuable information or watch our educational videos on our website at [www.vista401.com](http://www.vista401.com). From all of us at Vista 401(k), we hope that you sow the seeds of hard work and reap the sweet fruits of success and prosperity in your future!



## The Power of Compounding

By Toni Milton, Retirement Solutions Analyst

A Vista 401(k) Account can be one of the best tools for creating a secure retirement. Having an account can provide you with several advantages, including the contributions and earnings in your 401(k) all being tax deferred. One of the biggest advantages you can access by opening an account is compound interest. Retirement accounts, such as a 401(k), aren't just a savings account. They are active investments that provide you the potential to make the most of the benefit.

Compounding is a term that describes when money grows on top of itself. Over a long period of time, that money in your account has the potential to grow from a small investment to a large balance. Thanks to the power of compound interest, time is the most powerful variable a young investor has on his or her side.

If you are young, you might not think you need to open a 401(k) account now. You probably think it is easier to worry about it years from now. This is a common way of thinking, but completely how NOT to approach a 401(k) account. Time is on your side now, especially when it comes to

compound interest. When your parents worked, they most likely were provided with a pension plan. The pension plan provided a comfortable retirement for them with guaranteed income – but times have changed. It’s your responsibility to put away additional money for retirement to give yourself that extra retirement income, just so you can also live comfortably when you retire.

**There are a few steps you can take to make compounding work for you.**

**Start early.** The sooner you start, the more time compounding has to work in your favor. How much you contribute is important, but how much time you have to investment can provide you with a greater advantage. The Vista 401(k) Plan allows you to start your contribution with as little as \$25.00 per pay.

**Diversify your investments.** Check on your investment every so often to make sure you are diversifying your money in multiple investments. You clearly want to invest for the highest possible returns. That means taking on some risk, with the understanding that your portfolio will go through good times and bad times. Over the long haul, this will give you a better chance of building more wealth.

**Be patient.** Do not take withdrawals from your account. Compounding only works if you allow your investment to grow and even the modest returns can generate a nice nest egg for retirement given enough time and dedication. The longer your money stays invested, the more you will benefit.

With compounding, you keep earning interest and growing your investment on top of the interest and gains you’ve already received. In the short-term it doesn’t make a huge difference, but on a slow, sure path and staying focused on a longer-term goals – compounding can be very powerful. The combined results are a retirement saving plan you cannot afford to pass up.

# The DROPBox

Are you enrolled in DROP? Do you have questions about your distribution? Would you prefer to receive information specific to your needs?

Call us at 866-325-1278 or e-mail us at [401k@vista401k.com](mailto:401k@vista401k.com) for one-on-one service from our experienced Retirement Services Team.

Upon termination, you must select a payout method for your DROP benefits from the following three DROP payout choices:

- Lump Sum Distribution – less income tax withholding (under age 55, an additional 10% tax penalty withheld)
- Direct Rollover – no tax withholding
- Partial Distribution and Direct Rollover – some income tax withholding

Here are some good reasons to rollover the DROP payout into a Vista 401(k) account:

- If you take the DROP funds as a payment directly to yourself, these funds will be taxable income for the current tax year.
- If you qualify for normal retirement from the School Board and reach the age of 55, you qualify to withdraw your funds without incurring the age 59½ withdrawal penalty from your 401(k) Plan. This means that if you choose to rollover your DROP funds to your 401(k) Plan, instead of a traditional IRA, you can withdraw funds before age 59 ½, without a penalty.

If you entered DROP in 2012, you will receive your payout distribution this year. Call Vista 401(k) at 866-325-1278 for the necessary forms to complete.



## Frequently Asked Questions

**Q: When am I eligible to enroll in the Vista 401(k) Plan?**

You're eligible immediately upon being hired. You can enroll any time of the year. No waiting period is required.

**Q: How can I change my mailing address online?**

You can change your address online by logging into your account and selecting the "account information" tab. Next, click "Update Personal Profile." Enter your information into the appropriate fields and click the "Update" button. Additionally, you must change the address with your employer to ensure they update their system otherwise the change will be overridden by the address on file with your employer.

**Q: What is the maximum amount you can contribute to your 401(k) Plan annually?** The maximum for participants under the age of 50 is \$18,000 for year 2017. The maximum for participants over 50 years old is \$24,000.

**Q: Does Vista 401(k) have representatives onsite at our schools?**

No, we do not have representatives at your schools. You may contact us at 866-325-1278 or go to our website at [www.vista401k.com](http://www.vista401k.com).

**Q: I am about to receive a DROP payout. Can I rollover some or all of the money into my 401(k) Plan?**

Yes. You may rollover all or a portion of the DROP payout into the Vista 401(k) Plan. Contact our office at 866-325-1278 for the necessary forms.

**Q: How do I qualify for a loan from my 401(k) account?**

You must have a balance of at least \$2,000.

**Q: What is the minimum loan I can take?**

The minimum loan is \$1,000 and the maximum is 50% of your loan balance up to \$50,000.

**Q: Can I have more than one loan at a time?**

No. You can only have one loan at a time. Once you have paid off your loan, there is a 30-day waiting period before you can apply for another loan.

**Q: My payroll deduction summary from my paycheck has a deduction for Vista. Does that mean I am contributing to the Vista 401(k) Plan?**

No. Your Vista 401(k) contribution will be noted on your paycheck summary as 401(k). Call us at 1-866-325-1278 for additional information.

**Q: I designated a beneficiary when I signed up for my benefits with the School District. Does that apply to my 401(k) account?**

No. Your Vista 401(k) Plan is a completely separate account from your other School District benefits. You must designate a specific beneficiary on this account by logging onto your account online or by contacting our office to request a form be mailed to you.

**Q: I took a hardship from my account. Do my contributions have to stop?**

Yes. By law, your 401(k) contributions and any other contribution to a retirement plan must cease for six months. After six months, you must restart your contributions. The payments will not automatically resume.

**Q: When I retire, do I have to take a lump-sum payout of my 401(k) account?**

No. You can leave your account with the Vista 401(k) Plan as long as you want. You have the option of setting up systematic withdrawals or you can have periodic withdrawals – giving you the capability to receive payments monthly, quarterly or as needed.

**Q: I am about to be 70 ½ years old, do I need to call the office about getting my Required Minimum Distribution (RMD) paid out to me?**

No. Our company automatically calculates your RMD amount and sends out a check to the address on file. Contact our office to update your contact information.

**Q: Is there a fixed amount I must contribute to an account?**

There is no fixed amount you must contribute. However, there is a \$25 minimum contribution per pay period.

**Q: How can I increase the amount I am contributing into my 401(k) Plan?**

1) You can log into your account at [www.vista401k.com](http://www.vista401k.com) and select the “change contribution amount” tab. Enter how much you want to contribute and click the “submit” button. 2) We can e-mail, fax or mail you a form to fill out and send back to us.

**Q: Can I rollover my 403(b) account into my 401(k) account?**

You can rollover your 403(b) account into your 401(k) account, as long as you meet certain IRS requirements:

- You are over the age of 59 ½
- No longer working for the plan sponsor

Rolling over funds to your 401(k) account may be a good way to cut expenses and keep more of your returns.

**Q: How can I receive the most current information about the 401(k)?**

Go to our website at [www.vista401k.com](http://www.vista401k.com) and select our “Learning Center” link.

**Q: How can I reset my password?**

For security purposes, you can only have your password reset by calling our office at 1-866-325-1278.

**Q: When will I receive a statement?**

Participant statements are mailed out after each quarter to the address we have on file.

**Q: How can I pay off my loan early?**

To pay off a loan early, first you must contact our office at 1-866-325-1278 to get your current balance. Payments must be made with either a cashier's check or money order payable to "Matrix Trust Co. FBO: Vista 401(k)." Address the envelope to: Vista 401(k), P.O. Box 1878, Tallahassee, Florida 32302.

**Q: I will be out of school soon for the summer. Do I need to stop my contributions to my 401(k) plan?**

No. 10-month employees do not have contributions taken over the summer.