

LIVE & PLAY

RETIREMENT PLANNING MADE SIMPLE



2023

THE OAKLAND COUNTY 401(a) RETIREMENT SAVINGS PLAN—AT A GLANCE

REGULAR FULL-TIME GENERAL AND UNION EMPLOYEES

The Oakland County 401(a) Retirement Savings Plan Information

WHO IS ELIGIBLE?

You are automatically enrolled in the Plan if you are an active full-time eligible or part-time eligible employee of Oakland County as noted below. Oakland County will withhold a percentage of your pay on a pre-tax basis. This is a mandatory, non-elective contribution made to the Plan on your behalf. In addition, Oakland County will contribute a mandatory non-elective contribution made to the Plan on your behalf. The contribution amounts vary by job classification.

EMPLOYEE CLASSIFICATION*	EMPLOYEE PRE-TAX CONTRIBUTION	EMPLOYER CONTRIBUTION	TOTAL EMPLOYEE AND EMPLOYER CONTRIBUTION
Non-OCEU 4015-3	3%	8%	11%
Union OCEU 4016-3	3%	9%	12%

*Retirement plans for employees hired before 7/1/1994 may vary.

REGISTER YOUR ACCOUNT ONLINE

1. Go to oaklandcounty.retirepru.com and click **Log In**. Under **New User** click **Register Now**.
2. Enter the last four digits of your Social Security number, your date of birth and ZIP code. Click **Next**.
3. Enter your personal email address. Then create a username and password. Click **Create Account**.
4. Enter your work email address and mobile phone number. Click **Next**.
5. Designate your primary email address. Check the box if you choose to enroll in e-delivery of account statements and documents. Click **Next**.
6. Choose a security question and provide an answer. This is an extra measure to verify your identity and protect your account. If you wish, allow your device to be “remembered” for future visits to the site. Click **Submit**.
7. When your registration is complete, you’ll see the “Log In” screen. Click **Log In** to return to the login screen.
8. As a security measure, you’ll have limited access to your account. A letter sent by mail will give you a six-digit code. Enter the code for full access to your account. Until you do, the following functions will be hidden or disabled: personal information, address changes, bank information, payment settings, loans and withdrawals.

HOW TO DESIGNATE A BENEFICIARY

Please remember to elect your beneficiary. Naming your beneficiary ensures that if you should die, your Oakland County Retirement Plan assets will go where you want. If you don’t have a beneficiary on file with Empower, the Plan—or the courts—may have to make that decision for you.

- Electing a beneficiary can be completed online by logging into your account through oaklandcounty.retirepru.com or by speaking with a participant service representative at **833-OAK-GOV1** (833-625-4681), 8 a.m.–9 p.m. ET.
- If you elect to name a trust as your beneficiary, please call **833-OAK-GOV1** (833-625-4681), 8 a.m.–9 p.m. ET, to request a Trust Certification Form.

IRS LIMIT ON CONTRIBUTIONS

In 2023, federal tax law allows employee and employer contributions up to a combined total of \$66,000 or 100% of compensation, whichever is less.

AFTER-TAX CONTRIBUTIONS—HOW MUCH YOU CAN CONTRIBUTE

You may contribute 1% to 10% (in whole percentages or dollars) of your pay on an after-tax basis.

MAKING CHANGES TO YOUR AFTER-TAX CONTRIBUTIONS

Voluntary after-tax contributions can be changed (increased, decreased or stopped) at any time online at oaklandcounty.retirepru.com or by calling **833-OAK-GOV1** (833-625-4681). Your change will be effective as soon as administratively feasible.

OAKLAND COUNTY 457(b) PLAN MATCHING CONTRIBUTIONS

Oakland County contributes a matching contribution to this Plan, dollar for dollar of the pre-tax contribution you elect to make to the 457(b) Plan, up to a maximum of \$1,500 annually based on your employee classification.

WHEN YOU ARE VESTED

Vesting refers to your “ownership” of a benefit from the Plan. You are always 100% vested in your contributions and rollover contributions, plus any earnings they generate. The vesting schedule below applies to the following source:

- **401(a) Plan Employer Nonelective Vesting**
You will be vested in your employer contributions based on the following vesting schedule:

YEARS OF SERVICE	VESTED %
After 2 years	20%
After 3 years	40%
After 4 years	60%
After 5 years	80%
After 6 years	100%
- **457(b) Plan Employer Match**
You are 100% vested in your 457(b) county matching contributions.

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HOW YOUR MONEY IS INVESTED

The Plan offers a wide selection of investments to choose from. Visit oaklandcounty.retirepru.com and click *Log in* to access your account for more information. If you do not make an investment election, your contributions will be automatically invested in an age-appropriate target date fund based on your age and assuming a retirement age of 65.

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 the equity exposure and increasing the exposure in fixed-income-type 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 based solely on age or retirement date.* Participants should carefully consider the investment objectives, risks, charges, and expenses of any fund before investing. Funds are not guaranteed investments, and the stated asset allocation may be subject to change. **It is possible to lose money by investing in securities, including losses near and following retirement.**

*As with all investments, there are a number of factors and risks to consider in selecting a target date fund. In addition to anticipated retirement date, relevant factors for fund selection may include age, risk tolerance, other investments owned, and planned withdrawals. In addition, participants should carefully consider the investment objectives, risks, charges, and expenses of any fund before investing. It is possible to lose money in a fund—including near or following retirement—and there is no guarantee that the funds will provide adequate retirement income. Investments in the funds are not deposits of obligations of any bank and are not insured or guaranteed by any governmental agency or instrumentality.

GoalMaker®: Your retirement plan offers GoalMaker, an optional, easy-to-use asset allocation program, available at no additional cost to you. It will invest your contributions in a portfolio that matches your investor style, the number of years to retirement, and a desire to protect your income in retirement.

Keep in mind that application of asset allocation and diversification concepts does not assure a profit or protect against loss in a declining market. **It is possible to lose money by investing in securities.**

Self-directed brokerage:¹ Through your retirement plan, you have the ability to transfer a portion of your retirement assets to a self-directed brokerage account. There, you will have access to a greatly expanded investment selection—thousands of stocks traded on U.S. stock exchanges and hundreds of mutual funds and individual bonds. The funds offered through the self-directed brokerage account are not monitored by the Retirement Board and, as with most investments, contain risks.

CONTACTING EMPOWER

You can contact Empower through the following:

- **833-OAK-GOV1** (833-625-4681), which provides a toll-free phone system 24 hours a day, seven days a week, plus participant service representatives available Monday through Friday from 8 a.m. through 9 p.m. ET.

- Online at oaklandcounty.retirepru.com, 24 hours a day, seven days a week (unless there is system maintenance or an unplanned outage).
- If you're a new user, you will need your name, Social Security number, birthdate, and ZIP code to create a PIN and a user ID.

LOANS

You may request a loan for any reason:

- You may have up to five 401(a) loans outstanding at any time.
- Application fee is \$50 for each loan.
- Minimum loan amount is \$2,000. Maximum loan amount is the lesser of either 50% of your total vested Plan balance or \$50,000 less your largest outstanding loan balance during the last 12 months.
- Repayment is made through ACH deductions.
- You choose the length of the loan repayment period, up to five years (15 years if for purchase of a principal residence).
- The interest rate equals the prime rate + 0.5%.*
- If loan is not paid in full, tax consequences will apply.
- Prepayment is available.

Taking money from your future may cost you more than you think.

In addition to fees and interest charged on a retirement Plan loan, the time your money spent out of the account is time it could have been earning for you. So depending on your time to retirement, you may never be able to get that growth potential back. Consider protecting what you worked so hard to save, and weigh all of your options before taking a loan from your account.

*Interest is paid back to the participant's account. Additional information about loan calculations and loan interest rate details can be found in your Plan's loan policy.

Any outstanding loan balance not paid back becomes taxable in the year of default. Under the Tax Cuts and Jobs Act of 2018 for defaults related to termination of employment after 2017, the individual has until the due date of that year's tax return (including extensions) to roll over this amount to an IRA or qualified employer plan.

WITHDRAWALS

After-tax in-service withdrawals:

- While employed, you may make in-service withdrawals of your after-tax contributions once per calendar year. Tax consequences may apply.

Pre-tax withdrawals:

- Retired part-time non-eligible (PTNE) employees are eligible for in-service withdrawals. Tax consequences may apply.
- Active employees are eligible for in-service withdrawals on April 1 of the year after the employee has attained age 70½. Tax consequences may apply.

WHEN YOUR ACCOUNT IS PAID

Your account balance is payable when you:

- Terminate employment with Oakland County.

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- Retire at normal retirement age.
- Die.

Distributions before age 59½ may be subject to an additional early withdrawal penalty tax. This penalty does not apply if the employee is separating from service during or after the year the employee reaches age 55.

HOW YOUR ACCOUNT IS PAID

You may choose to have your account balance distributed to you as:

- Lump-sum/partial lump-sum payment(s)
- Installment payment(s)
- Direct rollover to an eligible employer's plan
- Direct rollover to an Individual Retirement Account (IRA)

ADMINISTRATIVE FEES

Participants pay 100% of the Plan's administrative recordkeeping costs through a quarterly fee.

To reduce fund expenses and provide greater fee transparency, Oakland County separates the Plan's administrative costs from the expense ratios of the investment options that provide revenue sharing.

Instead, a flat fee is charged to all participants each quarter to pay for the Plan's administrative expenses.

This approach may result in a credit to participants invested in certain funds that generate excess revenue. Both potential outcomes would help offset the fixed administrative fee. Overall, this approach is net neutral in terms of a cost impact to the Plan and does not represent a decrease or increase in the Plan's fees. It is simply designed to provide greater transparency for participants.

The administrative fee is assessed quarterly and is reflected in the quarterly account statements. The administrative fee may be subject to change.

PLAN ADMINISTRATION RECORDKEEPING FEE

Annual participant fee: \$29.00 (\$7.25 quarterly)

PLAN TRANSACTION FEES

Loan processing fee: \$50.00 per loan

Loan maintenance charge: \$25.00 annually per loan

Express mail fee: \$25.00

QUESTIONS?

Contact Empower toll-free at **833-OAK-GOV1** (833-625-4681), 24 hours a day, seven days a week. Participant service representatives are available Monday–Friday from 8 a.m. through 9 p.m. ET. Or visit us online at oaklandcounty.retirepru.com.



Oakland County offers the Self-Directed Brokerage Account as an investment option within the retirement plan. For value received (being allowed to participate in the Self-Directed Brokerage option), the Participant acknowledges and agrees that some of the investment options available through the Self-Directed Brokerage Account present a higher level of risk to the Participant's assets because of market volatility, interest rate fluctuations and a variety of other market factors. The Participant shall be solely responsible for selecting investments in the Self-Directed Brokerage Account that are suitable for the Participant's investment needs and risk tolerance. The Participant shall be solely responsible for doing any research and/or due diligence that may be necessary or required before making investment decisions. The Participant will incur additional fees through the selection of the Self-Directed Brokerage Account, including an annual fee, as well as a transaction fee for every purchase or sale of securities. The Participant hereby releases, acquits, waives, and forever discharges Oakland County, the Oakland County Retirement and Deferred Compensation Board, the Oakland County Employees' Retirement System, Empower Annuity Insurance Company (EIC), the Voluntary Employee Benefits Association Trust and their former and current employees, trustees and elected officials, together with all agents, attorneys, appointed officials, any affiliated and related entities, and any successors, or assigns of the foregoing individuals and entities (all of the foregoing entities and individuals shall hereinafter collectively be referred to as the "Released Parties") of and from any and all injuries, claims, losses, liabilities, damages, or lawsuits of any kind or nature whatsoever that arise out of or relate in any way to the Participant's election to participate in the Self Directed Brokerage Account and any losses that the Participant may incur as a result of such election.

GoalMaker's model allocations are based on generally accepted financial theories that take into account the historic returns of different asset classes. But, of course, past performance of any investment does not guarantee future results. Participants should consider their other assets, income and investments (e.g., equity in a home, Social Security benefits, individual retirement plan investments, etc.) in addition to their interest in the Plan, to the extent those items are not taken into account in the model. Participants should also periodically reassess their GoalMaker investments to make sure their model portfolio continues to correspond to their changing attitudes and retirement time horizon.

This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

Effective April 1, 2022, Empower officially acquired the full-service retirement business of Prudential. For more details, review the **important information** associated with the acquisition.

This material is not intended as advice or recommendations about investing or managing your retirement savings. By sharing this information, Empower is not acting as your fiduciary as defined by the Department of Labor or otherwise. If you need investment advice, please consult with a qualified professional.

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