



Command Officers, Deputies – Law Enforcement, Corrections, and Dispatchers

# The Oakland County 457(b) Deferred Compensation Plan—at a Glance

## What is a 457(b) plan?

A 457(b) Plan is a supplemental voluntary retirement plan that allows you to save for retirement with pretax and Roth 457(b) contributions deducted from your paycheck.

## Who is eligible?

All full-time employees eligible for benefits can enroll after they have received their first paycheck.

## Register your account online

Go to [empower.com/oaklandcounty](https://empower.com/oaklandcounty) and choose *Register*, then select *I do not have a PIN*. When prompted, enter your personal information (including your Social Security number, ZIP code, last name, and date of birth) and then follow the prompts to create your own Username and Password.

## 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 [empower.com/oaklandcounty](https://empower.com/oaklandcounty) or by speaking with an Empower representative at **833-OAK-GOV1** (833-625-4681). Empower representatives are available weekdays from 8 a.m. to 10 p.m. Eastern time and Saturdays from 9 a.m. to 5:30 p.m. Eastern time.

If you elect to name a trust as your beneficiary, please call **833-OAK-GOV1** (833-625-4681) to request a Trust Certification Form. Empower representatives are available weekdays from 8 a.m. to 10 p.m. Eastern time and Saturdays from 9 a.m. to 5:30 p.m. Eastern time.

## Your contributions

You may contribute 0% to 100% after required deductions (in whole percentages or dollars) of your pay on a pretax or Roth after-tax basis or a combination of these two. Contributions will begin as soon as administratively feasible.

## Roth 457(b) Plan contributions

Roth after-tax contributions combine the savings and investment features of a traditional pretax retirement program with the tax-free distribution features of the Roth IRA. If you meet certain requirements, the Roth money you withdraw at retirement—and any investment earnings—won't be taxable. When deciding if you should make Roth contributions, consider the following scenarios:

- If your tax rate will be higher in retirement than it is today, making designated Roth contributions may make sense for you.
- If your tax rate will be lower in retirement than your working years, you may benefit more from making pretax contributions and deferring your tax obligation until retirement.
- With tax rates in retirement being uncertain, you may choose to diversify your taxation by making both pretax and Roth after-tax contributions to the Plan.

To help you determine if Roth contributions are appropriate for you, visit [learningfromempower.com](https://learningfromempower.com) and click on the Saving icon, then look for the Pretax vs. Roth Analyzer.

## Consider the Plan's automatic increase feature.

It provides an easy way to raise your contribution amount over time. Here's how it works:

- You can sign up for future automatic contribution increases to your 457 Plan account.
- You specify the contribution amount and the date your increase will take effect.
- You can opt out of this feature at any time.

## IRS limit on contributions

In 2026, you can contribute up to \$24,500. Plus, if you are or will be age 50 or older in 2026, you can contribute an additional \$8,000 under the plan's catch-up provision for a total of \$32,500. For those who will turn ages 60, 61, 62, and 63 in 2026, the additional catch-up contribution amount will be \$11,250 (rather than \$8,000) for a total of \$35,750. (IRS limits may be indexed annually.)

## Making changes to your contributions

You may increase or decrease your contribution election at any time. Changes will take effect as soon as administratively feasible.

## Special catch-up contributions

You may declare a retirement age with the Retirement Unit to be your normal retirement age. In one or more of the three years before you reach that age, you may elect to make special catch-up deferrals. Please contact the Retirement Unit at [retirement@oakgov.com](mailto:retirement@oakgov.com) or 248-858-0406 for additional details regarding the special catch-up.

## Oakland County matching contributions

Oakland County will match dollar for dollar of your pretax and/or Roth contributions to the 457(b) Plan according to your job classification as listed below. Matching contributions are contributed to the 401(a) Plan.

- Corrections \$2,500
- Road and Dispatch \$2,500
- Command Officers \$3,000

## When you are vested

You are always 100% vested in your 457(b) contributions and the county match.

## How your money is invested

The plan offers a wide selection of investment choices. Visit [empower.com/oaklandcounty](https://empower.com/oaklandcounty) and click *Sign 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 at 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 that occur near and following retirement.**

\* As with all investments, there are a number of factors and risks to consider when selecting a target date fund. In addition to the anticipated retirement date, relevant factors for fund selection may include age, risk tolerance, other investments owned, and planned withdrawals. It is possible to lose money in a fund—including losses that occur 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®:** The 457(b) Plan offers GoalMaker, an optional, easy-to-use asset allocation program, at no additional cost. GoalMaker will invest your contributions in a model that matches your investor style and years to retirement with a desire to manage the risk to your income in retirement.

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

**Self-directed brokerage:**<sup>1</sup> Through the 457 Plan, you have the ability to transfer a portion of your retirement assets to a self-directed brokerage account (SDBA). Through an SDBA, 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 an SDBA are not monitored by the Retirement Board and, as with most investments, contain risks.

The SDBA is intended for knowledgeable investors who understand the risks associated with the SDBA.

## Contacting Empower

You can contact Empower through the following:

- The **833-OAK-GOV1** (833-625-4681), which provides a toll-free phone system 24 hours a day, seven days a week, plus Empower representatives are available weekdays from 8 a.m. to 10 p.m. and Saturdays from 9 a.m. to 5:30 p.m. Eastern time.
- Online at [empower.com/oaklandcounty](https://empower.com/oaklandcounty), 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, birth date, and ZIP code to create a Username and Password.

## Loans

You may request a loan for any reason.

- You may have up to two 457(b) loans outstanding at any time.
- The application fee is \$50 for each loan.
- There is an annual maintenance fee of \$25 for each loan.
- The minimum loan amount is \$2,000, and the 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 for a loan to purchase a principal residence).
- The interest rate equals the prime rate + 0.5%.\*
- If the 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 is out of the account is also 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 your options before taking a loan from your account.

\*Interest is paid back to your 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 repaid becomes taxable in the year of default. Under the Tax Cuts and Jobs Act, for defaults related to termination of employment after 2017, you have until the due date of that year's tax return (including extensions) to roll over this amount to an IRA or a qualified employer plan.

## Withdrawals

- Employees may request a withdrawal for certain emergency circumstances, as defined by the Plan. Please call Empower for more details and note that tax consequences will apply.
- Employees are not eligible to withdraw money from their account other than for certain emergency circumstances as defined by the Plan.
- PTNE employees who are at least age 59½ are eligible for in-service withdrawals from the 457(b) Plan.

## When your account is paid

Your account balance is payable when you:

- Terminate employment with Oakland County.
- Retire at normal retirement age and are no longer employed by Oakland County.
- Die or become disabled.

## 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 on 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: \$22.50 (\$5.62 quarterly)

## Plan transaction fees

Loan processing fee: \$50 per loan

Loan maintenance charge: \$25 annually per loan

Express mail fee: \$25

## Questions?

Contact Empower toll-free at **833-OAK-GOV1** (833-625-4681), 24 hours a day, seven days a week. Empower representatives are available weekdays from 8 a.m. to 10 p.m. and Saturdays from 9 a.m. to 5:30 p.m. Eastern time. Or visit us online at [empower.com/oaklandcounty](https://empower.com/oaklandcounty).

*Carefully consider the investment option's objectives, risks, fees, and expenses. Contact Empower for a prospectus, summary prospectus for SEC-registered products, or disclosure document for unregistered products, if available, containing this information. For prospectuses related to investments in your self-directed brokerage account (SDBA), contact your SDBA provider. Read them carefully before investing.*

<sup>1</sup> 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 of America (EAICA), 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.

Asset allocation models are pre-established asset allocation strategies composed of a plan's core investment options. The models are not securities. When you allocate your investment to a model, you will be invested in the various underlying investment options composing each model, as made available by the plan and according to the model's allocation methodology. Asset allocation and balanced investment options and models are subject to the risks of their underlying investments.

An asset allocation model provides targeted asset allocation for your plan account and allocates your account across the model's underlying investments. Your plan may include asset allocation models designed according to certain risk levels (e.g., aggressive, moderate, or conservative), asset allocation models that follow a glidepath based on a target date, or both model types depending upon the models selected by your plan. Neither model type is without risk or guarantee of positive returns. The date in the name of a target date model is an assumed date in which an investor will retire. The asset allocation becomes more conservative as the target retirement date nears and, depending on the model's design, can remain static at the target date or adjust further through retirement. There is no guarantee the investment will provide adequate retirement income.

Investors should review the prospectus, summary prospectus for SEC-registered products, or disclosure document for unregistered products, if available, for underlying fund objectives, risks, fees, and expenses.

Asset allocation and balanced investment options and models are subject to the risks of their underlying investments.

Investing involves risk, including possible loss of principal.

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