

# FEES MAKE A DIFFERENCE!

Why keeping your funds in the Lane County 457(b) & 401(a) Plans after retirement may be your best move.



## HIGHER COST INVESTMENT PROGRAMS CAN EXHAUST YOUR SAVINGS MUCH FASTER...

Compare the cost of investing in the County's 457(b) & 401(a) Plans vs. alternatives. Here is an example. Assume the following:

- You retire at the age of 60 with \$300,000 in your account
- You withdraw \$22,500 at the end of each year
- You are invested in a retirement portfolio earning an annual 6% return, minus investment costs like advisor fees and fund expenses
- How long does your money last at various levels of cost?

## How Long Does Your Money Last at Various Levels of Cost?

Fees & Expenses:	Age at which your money runs out:	Cumulative \$ Paid:
0.23% Lane County Plan Target Date Fund Average Cost, Including Administration Fee	86	\$588,395
0.39% Lane County Plan Avg. Investment Cost, Including Administration Fee	85	\$568,286
1.00% Non-Plan Active Investing Fee Example	83	\$506,771
1.50% Outside Advisor Fee Example	81	\$468,452
2.50% Annuity Fee Example *	78	\$411,214

\* The annuity example is a variable life annuity whereby payments continue only while the annuitant is alive, and the annuitant does not live beyond the age shown.

End of year annual compounding and cash flow assumed. Expenses are examples.

## YOUR LANE COUNTY 457(b) & 401(a) PLANS COMPARE WELL TO RETAIL INVESTING

When you stop working for the County, your retirement investments don't have to stop working too! Your Plan has been professionally designed to provide you with many features and services at a cost that retail investing opportunities can't match, and you can keep using them post-employment. Compare these key advantages:

THINGS TO CONSIDER	LANE COUNTY 457(b) & 401(a) PLANS	COMPARE RETAIL INVESTING
<p><b>Low Cost, Institutionally Priced Investments:</b> Take advantage of the Plan's buying power! The Plan Consultant estimates the average weighted cost of investing through the Plan to be only <b>0.39%</b> per year, as of 12/31/21.</p>	Average Weighted Cost of Investing: <b>0.39%</b> /Year	?
<p><b>Employer-Sponsored Plan:</b> The County has an oversight committee and a consultant to ensure that the fees and investments are monitored for cost and performance. Beware of predatory investment firms that may charge you higher rates and/or offer funds that may not benefit you.</p>	Yes!	?
<p><b>Professionally Monitored Investments:</b> Your Plan's investments have been carefully selected and are continually monitored and revised as needed with the help of an independent investment advisory consulting firm.</p>	Yes!	?
<p><b>Counseling Services Continue After Retirement—at no Cost!</b> In-person, virtually, or on the phone, you can get help making decisions from a salaried professional counselor, with no sales pitch and no pressure.</p>	Yes!	?
<p><b>Broad Array of Investment Choices, Including a Brokerage Option:</b> Every investment you may need or want is likely available through the Plan's core menu or Self-Directed Brokerage Option.</p>	Yes!	?
<p><b>Stable Value Fund—Not Available in IRAs:</b> These funds are only available inside plans like yours—and provide interest rates that compare well to 3- and 5-year CDs, without a minimum term.</p>	Yes!	?
<p><b>Consolidate Your Accounts:</b> Learn how to roll other retirement accounts, including IAP, into your exiting Deferred Comp plan. Help can be provided in-person, virtually, or by phone.</p>	Yes!	?
<p><b>Keep Access to Your 457 Funds Before Age 59 ½ Without a Tax Penalty:</b> If you roll your account to an IRA, you may incur tax penalties if you take withdrawals before age 59 ½. Keep your tax advantage—stay in the Plan!</p>	Yes!	?

## QUESTIONS OR NEED HELP?

Your MissionSquare (formerly ICMA-RC) Retirement representative, DeLana Hansen is here to help.

Click here to [schedule an appointment](#) with DeLana, call her at **202-759-7069** or email at [dhansen@missionsq.org](mailto:dhansen@missionsq.org) to learn more about the Lane County Plans.