



Compare your 457(b) and/or 401(a) Deferred Compensation Plan(s) to the alternative being offered

As you enter retirement, you may have brokers/advisors soliciting you to roll your 457(b) and/or 401(a) Deferred Compensation Plan(s) to an IRA, annuity or another investment with their financial organization. Always be cautious and make sure you understand what the broker/advisories trying to sell you before making a decision. Be an informed consumer: Ask detailed questions about the service you will receive the fees, commissions and other costs that would apply, including any termination or surrender fees. Be sure to compare these fees to fees associated with the County’s 457(b) and 401(a) Deferred Compensation Plans.

We want you to be informed and make the best decision for you and your household. Below is a comparative chart that includes information about the 457(b) and 401(a) Deferred Compensation Plans, and a column to fill in the same information for the alternative investment.

You’ve worked hard to build your retirement nest egg. Why not keep your money in the 457(b) and 401(a) Deferred Compensation Plans and continue working with the retirement professionals who have helped you get here?

Fees/Penalties	County of Sacramento 457(b) Deferred Compensation Plan	County of Sacramento 401(a) Deferred Compensation Plan	Potential Insurance Agent or Broker
Administrative Fees - Based on Quarterly Plan Balance	Balance is less than \$5,000	\$12 per year (\$3.00 per quarter)	
	Balance is greater than \$5,000 and equal to or less than \$150,000	\$90 per year (\$22.50 per quarter)	
	Balance is greater than \$150,000	\$240 per year (\$60.00 per quarter)	
Sales Charges (Commonly called front-end sales charges)	\$0		
Transfer Fees (Commonly called “loads,” which could be charged as a percentage of assets at the time of purchase or at the time of liquidation)	\$0		
Commissions (based on account value and investment selection)	\$0		
Early Withdrawal Penalty	\$0	A 10% IRS penalty may apply if withdrawal is taken before age 59½ unless you satisfy one of the IRS exceptions	

Diversification	Your County of Los Angeles 457(b) Horizons Plan	Your County of Los Angeles 401(k) Savings Plan	Potential Insurance Agent or Broker
<p>Investment Operating Expenses Charges/fees can substantially affect investment returns over time</p>	<ul style="list-style-type: none"> Operating expenses vary depending upon the investment selection Target date funds are generally subject to a fund operating expense at the fund level, as well as prorated fund operating expenses of each underlying fund in which they invest. Due to the asset size of the Plan, the County is able to negotiate significantly lower fees than individuals can obtain through the retail market Current Operation Expenses/Expense Ratios associated with the funds available through the County's 457(b)/401(a) are listed below. 		
<p>Investment Options¹ A well-diversified portfolio can help you weather the ups and downs of any one type of investment²</p>	<ul style="list-style-type: none"> 12 custom Target Date Funds³. The date in a target date fund's name represents an approximate date when an investor expects to retire (which is assumed to be at age 62). The principal value of the fund is not guaranteed at any time, including on the target date. For more information, please refer to the fund prospectus and/or disclosure document. 11 custom Asset Class Funds, including a federally insured Bank Depository Fund Customized Target Date and Asset Class Funds, professionally managed A self-directed brokerage link option available for knowledgeable investors who acknowledge and understand the risks associated with the investments contained in the SDBA. Additional fees apply. 		

Listed below are additional questions you should ask in order to gain a better understanding of the investment/product being offered.	
Qualifications	Is the insurance agent or broker registered with the U.S. Securities and Exchange Commission (SEC), Financial Industry Regulatory Authority (FINRA) or your state securities regulator?
Risks	<p>Evaluate the risks associated with the investment/product you are considering, and ask the insurance agent or broker to explain the risks involved with their product. Types of risk include:</p> <ol style="list-style-type: none"> Investment Risk – Understand the risks involved. Generally, higher risk means higher potential return (and loss). Likewise, the lower the risk, the lower the potential return. Market Risk – Investment valuation shifts caused by market movements can create loss in investment. Inflation Risk – Money can decrease in value, shrinking the purchasing power of currency whether it is invested or not.
Other Fees	There are times when investments have “other” fees associated with their sales/exchange. Be sure to ask questions about all fees associated with your investments, and be sure to request the list be in writing.
Breakpoints	Are there any investment levels required to obtain the rate they are offering you? These are commonly referred to as “breakpoints,” and the investment firm is required to disclose any “breakpoints” and alert you to the availability of breakpoint discounts.

IMPORTANT: If you withdraw all of the funds from your account, your account will permanently close. You will not be able to reopen your account and reinvest in any of the 457(b) and/or 401(a) Deferred Compensation investment options.

This material has been prepared for informational and educational purposes only. It is not intended to provide, and should not be relied upon for, investment, accounting, legal or tax advice.

1 Diversification does not ensure a profit and does not protect against loss in declining markets.

2 Asset allocation and balanced investment options and models are subject to the risks of the underlying funds, which can be a mix of stocks/stock funds and bonds/bond funds. For more information, see the prospectus and/or disclosure documents.

3 Target Date Funds provided through Vanguard

Investment options and their underlying funds have been selected by the Plan Administrative Committee.

Investment Lineup

Data as of 3/31/2019

Current Lineup		
Ticker	Fund Name	Exp Ratio
US Large Cap		
PRILX	Parnassus Core Equity Institutional	0.64%
VINIX	Vanguard Institutional Index I	0.04%
FLCNX	Fidelity Contrafund K6	0.45%
OIEJX	JPMorgan Equity Income R6	0.50%
US Mid Cap		
VIEIX	Vanguard Extended Market Index Instl	0.06%
US Small Cap		
VSENX	JPMorgan Small Cap Equity R6	0.74%
International - Developed		
OANIX	Oakmark International Institutional	0.79%
VTSNX	Vanguard Total Intl Stock Index I	0.08%
Fixed Income		
MWTSX	Metropolitan West Total Return Bd Plan	0.37%
VBTIX	Vanguard Total Bond Market Index I	0.04%
949907703	Wells Fargo Stable Value E	0.44%
FRGXX	Fidelity Inv MM Fds Government I	0.14%
Target Date		
92202V633	Vanguard Target Retirement Income Trust I	0.07%
92202V617	Vanguard Target Retirement 2015 Trust I	0.07%
92202V591	Vanguard Target Retirement 2020 Trust I	0.07%
92202V583	Vanguard Target Retirement 2025 Trust I	0.07%
92202V575	Vanguard Target Retirement 2030 Trust I	0.07%
92202V567	Vanguard Target Retirement 2035 Trust I	0.07%
92202V559	Vanguard Target Retirement 2040 Trust I	0.07%
92202V542	Vanguard Target Retirement 2045 Trust I	0.07%
92202v534	Vanguard Target Retirement 2050 Trust I	0.07%
92202v484	Vanguard Target Retirement 2055 Trust I	0.07%
92202v146	Vanguard Target Retirement 2065 Trust I	0.07%
92202v211	Vanguard Target Retirement 2060 Trust I	0.07%