



# Getting Started in your Workplace Savings Plan

VENTURA COUNTY



**DEFERRED COMPENSATION PLAN**

*For a bright financial future*

# Retirement Savings Options



- Two plans:
  - 401(k) Shared Savings Plan (before-tax)
  - Section 457 Plan ( before-tax) /Section 457 Roth (after-tax)
- Contributions:
  - Payroll deduction
  - Pre-tax basis (reduces your taxable income)
- 457 Roth Contributions:
  - Payroll deduction
  - After-tax basis



# Deferred Compensation Program



- Voluntary retirement savings program (Pension Supplement)
- Enroll anytime - no open enrollment period
- All contributions are immediately vested
- Rollover from another employer's other qualified plan
  - 401(k), 401(a), 457, 457 Roth, 403(b)
- IRS Qualified Retirement account
  - Rules and regulations apply



# Eligibility



- **401(k) Shared Savings Plan**
  - Regular County employee with a work schedule of at least 40 hours a bi-week
- **Section 457 Plan**
  - Regular County employee with a work schedule of at least 40 hours a bi-week if represented by the following unions: CNA, SPOAVC, or IUOE
  - All other regular County employees , and employees in the CNA Per Diem Unit, regardless of work schedule



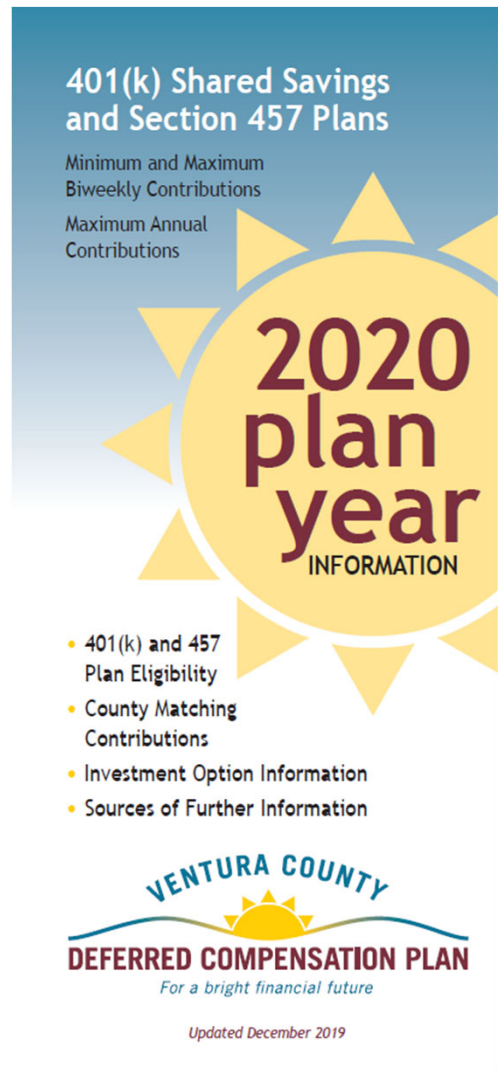
# 401(k) Shared Savings Plan



- Contributions are a percent of your regular earnings
  - Minimum: Varies by bargaining unit (1%-2.5%)
  - Maximum: 100% of available income after mandatory deductions
- Loan provision
- 10% early withdrawal penalty for distributions prior to age 59 ½
- Distributions are subject to federal and state income taxes



# 401(k) Employer Matching

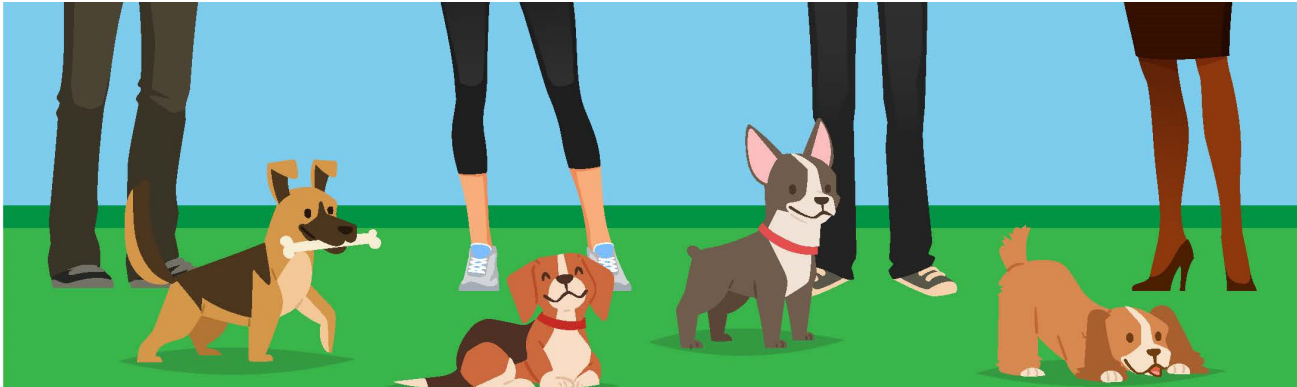


- Employer Matching Contribution on 401(k) for most bargaining units
- Refer to current Plan Year Information brochure


**Consider contributing at least the minimum % to get your full employer match.**



# 401(k) Employer Matching



Have you met  
your match?

 1 in 5 people contributing to a 401(k) aren't saving enough to get their full company match.

INCREASE YOUR SAVINGS RATE TO MEET YOUR MATCH TODAY.

**Make sure you meet your match!!**

# Section 457 Plan



- Contribution is a dollar amount (before-tax)
  - Minimum: \$10.00
  - Maximum: All of your available income after mandatory deductions
- No matching contributions or loan provision
- IRS-mandated waiting period
  - Contributions generally start the first payday in the month following the month you enroll in the Plan
- No early withdrawal penalty
- Distributions are taxed as regular income





# Section 457 Roth



- Same mandates as before - tax option
- Contributions are made **after-tax** and are subject to federal and state tax
- Money grows tax free
- Distributions are tax free if you hold the account for at least five tax years from the initial contribution and:
  - You are at least 59<sup>1/2</sup> at time of withdrawal;



# 2020 IRS Plan Limits



- 401(k) Contribution Limit
  - \$19,500
  - Age 50 and over, may contribute up to \$26,000
- 457 Contribution Limit (before and after-tax combined)
  - \$19,500
  - Age 50 and over, may contribute up to \$26,000
- Maximum deferral for 2020
  - \$39,000
  - Age 50 and over, may contribute up to \$52,000



# Investment Options



## Target Date Funds-

- Designed to simplify retirement planning
- Select fund based on the year you anticipate retiring
- Fund is professionally managed to gradually become more conservative as it approaches target retirement date
- Plan default



# Investment Options



## Core Investment Options

- Wide range of investment options for the active investor
- Fund choices reflect different styles and goals
  - Conservative  $\longleftrightarrow$  Aggressive
- **Funds are selected and monitored by the Deferred Compensation Committee**



# Investment Options



## BrokerageLink

- Combines the convenience of your workplace retirement plan with the additional flexibility of a brokerage account
- Expanded investment options
  - ❖ Stocks, CD's, bonds
- **Not monitored or evaluated by the Deferred Compensation Committee**

## Portfolio Advisory Service



- Managed Account Service
  - ❖ Quarterly fee for service based on assets (0.45%-0.25%)
- Professional management of retirement savings
- Propose and manage your strategy around your unique needs

# Plan Oversight



- Deferred Compensation Committee
  - Appointed by the Board of Supervisors as Plan Administrators
- Comprised of the following officials:
  - Chief Financial Officer
  - Treasurer Tax Collector
  - Director of Human Resources
  - Auditor Controller
  - Assistant County Counsel
- SageView Advisory Group, LLC
  - Third-Party, unbiased Plan consultant





# The Power of Compounding



**Invests:** \$1K/per month

**Begin:** Age 25

**End:** Age 35

**Growth:** 7%/annually

Michael

**Invests:** \$1K/per month

**Begin:** Age 45

**End:** Age 55

**Growth:** 7%/annually

Jennifer



**Total Investment Time:** 10 years

**Total Saved Over 10-year period:** \$120,000

# The Power of Compounding



Michael

Begin: Age 25  
End: Age 35  
Growth: 7%/annually  
**ENDING BALANCE**  
**AGE 65:**  
**\$1,444,969**

Begin: Age 45

End: Age 55

Growth: 7%/annually

**ENDING BALANCE**

**AGE 65:**

**\$373,407**



Jennifer

- ✓ Earnings are reinvested
- ✓ Generate more earnings
- ✓ Money grows faster

**Start Now, Invest Regularly, Be Patient**

# Getting Started



- Enrollment directly through Fidelity
- Fidelity receives your eligibility information when you receive your first paycheck
- Three enrollment options:
  - Online: <http://netbenefits.com/easy>
  - Online: <http://netbenefits.com/ventura>
  - Phone: 800/343-0860



# Enroll in 60 seconds



- Logon to: <http://netbenefits.com/easy>
- Select from three starting contribution rates
- Select or opt-out of annual increase program
- Placed in target date fund investment option
- Desktop computer or mobile device

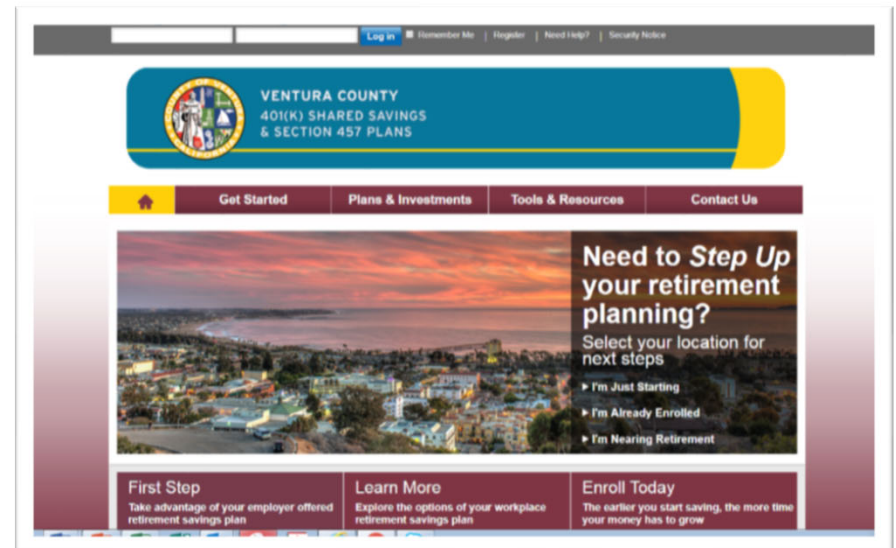


# Online Tools and Resources



**<http://netbenefits.com/ventura>**

- Enroll in the Plans
- Change your contribution amount or investment elections
- Check your account balance
- Print a statement
- Elect online statements
- Review your asset allocation
- Add or change your beneficiary
- Educational resources- online workshops, calculators . . .



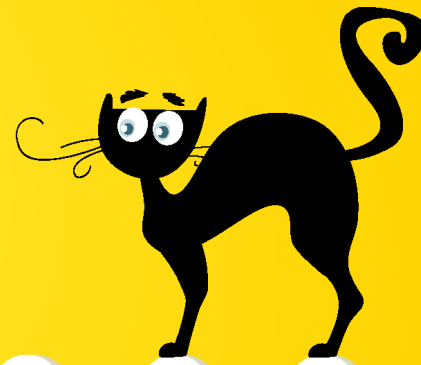
# Online Beneficiary



45%

of people haven't named  
a beneficiary for their  
retirement account.

Ease the fear—declare  
your beneficiary today.





# In-Person Guidance



- Dedicated Fidelity Retirement Planner
  - 1:1 investment guidance
  - Rollover Assistance
  - Retirement planning
- Office at the Government Center-Hall of Administration
  - **Appointment is required**
  - Call 800-642-7131
  - Online: [getguidance.fidelity.com/ventura](https://getguidance.fidelity.com/ventura)
  - Help desk hours first and last Friday of the month – **Currently not Available due to Covid 19 Stay at Home Orders**



*Andrew Kremer, CFP  
Retirement Planner*



# Contact Information

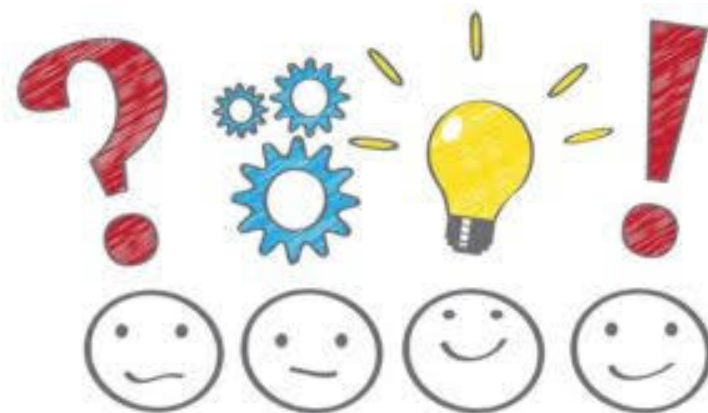


- Fidelity Investments
  - 800/343-0860
  - <http://netbenefits.com/ventura>
- Fidelity Investments – for Rollovers
  - Andrew Kremer - 858/349-6877
  - [Andrew.Kremer@fmr.com](mailto:Andrew.Kremer@fmr.com)
- Deferred Compensation Program
  - 805/654-2620
  - [Deferred.Compensation@ventura.org](mailto:Deferred.Compensation@ventura.org)

# Deferred Compensation Plan



## Questions?



# Safe Harbor Retirement Plan



- Defined benefit pension plan implemented to provide eligible employees a source of income when they retire
- Extra-help, intermittent, or part-time employees not covered by the Ventura County Retirement Association
- Not integrated with Social Security
- Required employee contribution is 3% of pay

# Safe Harbor Retirement Plan



- Contributions can not be refunded and are not transferrable to any other retirement system plans
- 100% Vested
- Eligible for Plan benefit beginning at age 50 and separated from County Employment

## Contact Information

- Safe Harbor Program
  - 805-654-2921
  - [safe.harbor@ventura.org](mailto:safe.harbor@ventura.org)

# Safe Harbor Retirement Plan



## Questions?

