



Plan Fees

Frequently Asked Questions

Are there fees associated with being part of the 457(b) Deferred Compensation Plan?

Yes. As a Deferred Compensation Plan participant, you have always paid fees. These fees cover the cost to operate the Plan and the associated services, including financial education, planning tools, and resources. As part of our fiduciary responsibility, the Alameda County 457(b) Deferred Compensation Plan Officer (Henry C. Levy), the Plan's consultants (Retirement Plan Advisors), and the Plan's Ad Hoc Advisory Committee strive to make the fees as transparent as possible. We periodically review the services and fees associated with administering the Plan. Part of this process includes a review of Plan-related fees to provide a less-expensive fee structure.

What are the types of fees associated with participating in the Plan?

- Participant fees
- Investment management fees
- Transactional fees

What is a participant fee?

The participant fee helps cover the costs associated with administering and recordkeeping the Plan as well as the tools and resources available to assist you on your journey to and through retirement. This annual participant fee, paid quarterly, was recently lowered from 0.185% to 0.135% (or 13.5 basis points) and is based on the value of the assets in your account. This fee is labeled as "Plan Administration Asset Based Fee" and consists of two components that appear on your quarterly statement. These fees are broken down as follows:

- 3.75 of the 13.5 basis points annualized are paid to the recordkeeper (Empower). This includes the expenses associated with providing financial professionals who are available to assist you with the Plan.

- 9.75 of the 13.5 basis points are paid to Alameda County to cover the administrative costs associated with the Plan (e.g., the Deferred Compensation Staff, consulting, and legal expenses).

The following chart provides examples of the potential impact of the fees to your account:

Account balance	Annual participant fee percentage	Annual participant fee	Quarterly participant fee
\$10,000	0.135%	\$13.50	\$3.38
\$15,000	0.135%	\$20.25	\$5.06
\$25,000	0.135%	\$33.75	\$8.44
\$40,000	0.135%	\$54.00	\$13.50
\$100,000	0.135%	\$135.00	\$33.75

Specifically, what does the participant fee cover?

- A recordkeeping platform (through Empower)
- Costs associated with County administrative, legal, and investment consulting costs
- A toll-free information phone line and Customer Care Center representatives
- An online account website that includes financial wellness tools, calculators, webinars, and articles to help you achieve financial security
- Access to our licensed financial professionals, who are available to meet with you one-on-one to discuss your financial wellness and help you prepare for retirement

What are investment management fees (expense ratios)?

- Investment management fees, when combined with other fund-related fees such as operating expenses, are known as a fund's **expense ratios**. These are costs associated with the fund company managing the investment options offered in the Plan.

- Each investment option you select has a fee associated with it, which is determined by the investment manager. This fee covers the cost of operating the investment fund, which includes the buying and selling of securities, fund governance, reporting, fund administration, and other costs.
- Under the prior fee structure of the Plan, revenue sharing from the investments was paid by the fund companies directly to the recordkeeper, which was then credited to the Plan to help offset Plan expenses. As a result, participants may not have understood when or how they were paying fees.
- You can find the expense ratio of a fund on the fund's fund fact sheet, which you can access by clicking on the *Investment Performance & Prospectus 457(b)* tab at **alamedacountydcp.com**. You can also call **855-WOW-457B** (855-969-4572) for additional help.

What are transactional fees?

Transactional fees cover optional Plan features, such as express mail, loan fees, or use of the Plan's managed account feature, and are only charged to participants using such features.

What is a fee credit?

Under the current fee structure, two funds provide fees back to the participants. This is referred to as "revenue share," and if you are invested in either of these funds, you will see some credits on your statement (listed as an "Investment Option Service Fee Credit").

What is a revenue reimbursement?

With the cost-saving initiatives the County has put into place, the County will continue to review the

fees and costs associated with administering the Plan and pass along any savings to you. These are one-time reimbursements the County directs. The first reimbursement took place in October 2020, and the most recent took place in August 2024. Each is labeled as an "Expense Adjustment" on your quarterly statement.

Where can I find the participant fee and the amount I am paying?

The fees and credits are located on your quarterly Plan statement as well as in your online account. Here is a view of how fees are listed on your statement:

Expenses		
Plan Admin. Asset Based Fee	07/01/2024	-\$14.25
Plan Admin. Asset Based Fee	07/02/2024	-\$56.05
Investment Opt. Service Fee Credit	07/12/2024	\$0.25
Investment Opt. Service Fee Credit	08/12/2024	\$0.27
Expense Adjustment	08/15/2024	\$219.40
Investment Opt. Service Fee Credit	09/13/2024	\$0.28
Total Expenses		149.91

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In the examples above, a negative amount reflects a deduction from your account, where a positive amount indicates previous fees being returned to you.

Who do I contact if I have additional questions?

You have access to three dedicated, licensed financial guidance professionals at no additional cost. They are available to meet with you over the phone, virtually, or in person. To schedule a one-on-one appointment, or to contact a financial guidance professional directly, please visit **alamedacountydcp.com** and click *Meet your Plan representatives* or call **855-WOW-457B** (855-969-4572) and choose option 3 or 4 when prompted.



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