



**oregon**  
SAVINGS GROWTH PLAN



**Looking forward to new horizons.**

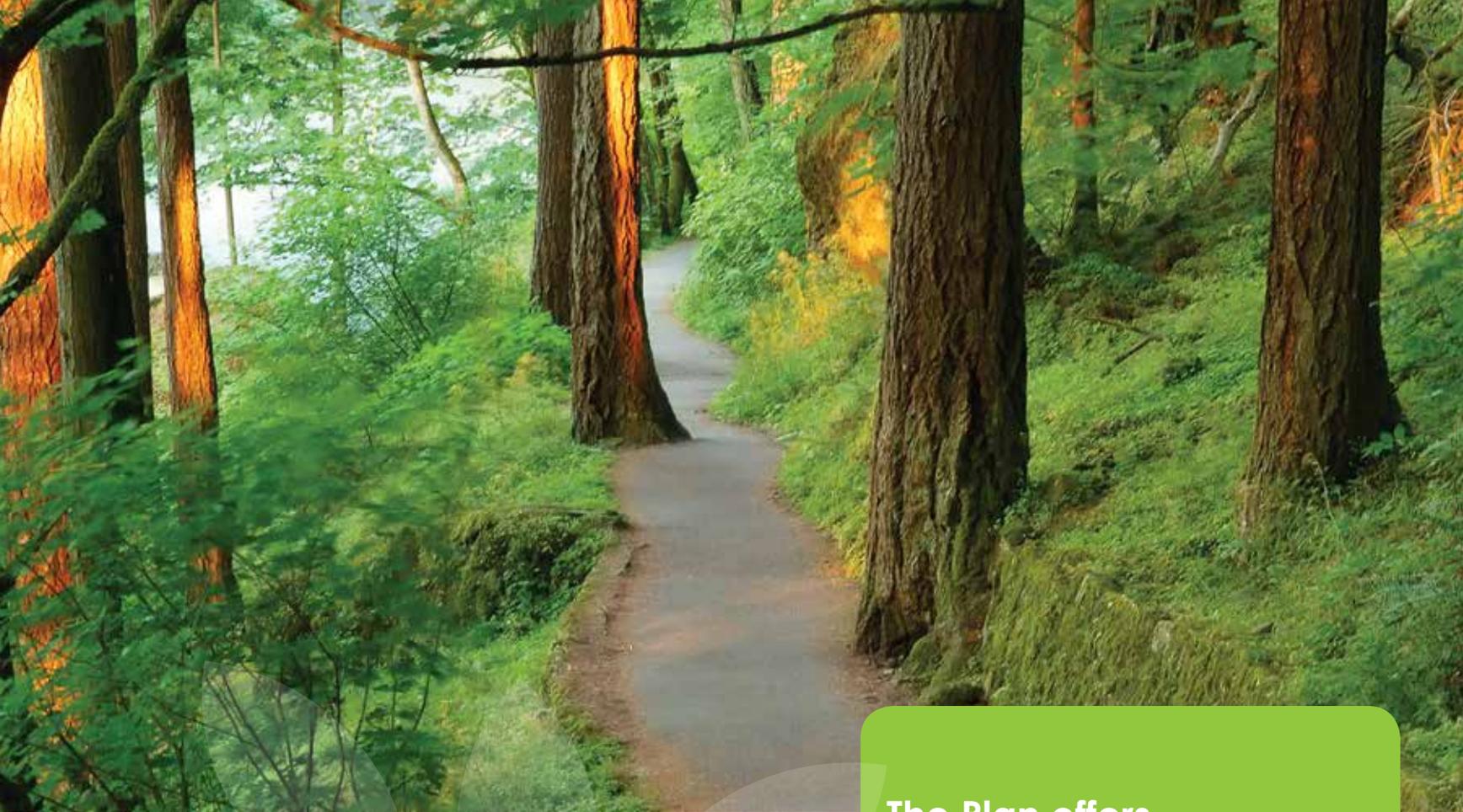
enrollment guide

As a state or local government employee, you may be eligible to participate in the Oregon Savings Growth Plan (OSGP), a voluntary retirement plan.\* Your participation in OSGP gives you unique advantages, including a variety of investment options and tax benefits you cannot get outside of your workplace, as well as flexible and professional account management features available online or by phone.

The information enclosed in this guide provides everything you need to know about the Plan. If you have questions, please call **503-378-3730** or **800-365-8494** to speak with a representative. More information is available online at <https://osgp.voyaplans.com>.

*\* Local government employees should check with your HR office or call 503-378-3730 to confirm your eligibility.*





## The Plan offers a wide array of features including:

- Comprehensive investment lineup, including LifePath® Portfolios, ten investment options, and a Self-Directed Brokerage Account option
- Low, competitive fees
- Pre-tax savings that can reduce your current federal taxable income. You don't pay income taxes on your contribution or any earnings they accumulate until you make a withdrawal.
- After-tax savings that provide the potential for tax-free withdrawals
- 24/7 access to account information online at [osgp.voyaplans.com](https://osgp.voyaplans.com) and by phone at **800-365-8494**
- Dedicated Service Representatives
- Free on-site retirement and investment education
- Transition Counseling services for terminated and retired employees



### It's easy to enroll in OSGP!

Simply complete the *Enrollment and Beneficiary Designation Forms* included in the back of this guide.

# Getting Started.

## OSGP makes it easy to get started.

You decide how much and how you want to save each pay period and which options you'd like to invest your contributions.

Before you get started, you should:



### 1. Determine how much you can save

You can contribute up to 100 percent of your monthly gross compensation or as little as \$25 per month, provided the amount does not exceed the annual IRS contribution limit. Contributions are automatically deducted from each paycheck.

### 2. Decide to save pre-tax or after-tax

After you determine how much to save, you decide whether you want to save on a pre- or after-tax basis or both. With pre-tax contributions, you pay no taxes on contributions, but pay taxes on withdrawals. With after-tax contributions, you pay taxes on contributions, but may be eligible for tax-free withdrawals as long as qualifications are met.\*



### How much can I save?

If you need help determining how much you can save, use the *Net Pay Calculations* worksheet included in this guide or the online savings calculator at <https://osgp.voyaplans.com>.



### Not sure which option is right for you?

You may want to consider both. For more information about Roth 457, review the *Roth 457 brochure* online or call 503-378-3730 or 800-365-8494.

\* Roth contributions must be held at least five years before date of distribution and you must be age 59½ (assuming separation from service), death, or disability.

#### Compare the difference:

	Pre-tax contributions	Roth after-tax contributions
Gross income	\$ 50,000	\$ 50,000
Pre-tax contribution	-\$5,000	N/A
Taxable Income	\$ 45,000	\$ 50,000
25% <sup>1</sup> income tax rate	-\$ 11,250	-12,500
After-tax income	\$ 33,750	\$37,500
Roth after-tax contribution	N/A	-\$ 5,000
<b>Take-Home Pay</b>	<b>\$ 33,750</b>	<b>\$ 32,500</b>

<sup>1</sup> Assumes 2014 tax rate.

# 3.

## Choose your investment options

Saving for retirement involves choosing the right investments to match your goals. That's why the Plan offers a variety of professionally-managed investment options. More information about the Plan's investment options is included in the *Investment Options Booklet* and online at <https://osgp.voyaplans.com>.

OSGP offers a variety of investment options for you to choose from:

### LifePath Portfolios

*Simply select the one fund with target date closest to the date you expect to retire and begin withdrawing money.*

- LifePath Retirement
- LifePath 2020 Portfolio
- LifePath 2025 Portfolio
- LifePath 2030 Portfolio
- LifePath 2035 Portfolio
- LifePath 2040 Portfolio
- LifePath 2045 Portfolio
- LifePath 2050 Portfolio
- LifePath 2055 Portfolio
- LifePath 2060 Portfolio

### Core Investment Options

*OSGP's investment options cover major investment categories and levels of risk. Choose your investment option(s) based on your personal situation, including the time you have until retirement and your risk tolerance.*

- Short-Term Fixed Option
- Stable Value Option
- Active Fixed Income
- Real Return Option
- Large Company Value Stock Option
- Stock Index Fund Option
- Socially Responsible Investment Option
- Large Company Growth Stock Option
- International Stock Option
- Small Company Stock Option

### Self-Directed Brokerage Account Option

*Through the PCRA you can access 6,000 mutual funds, including 3,000 mutual funds available with no loads and no transaction fees.*

- Charles Schwab Personal Choice Retirement Account (PCRA)

## Get with the Plan!

***Here are just four reasons to start saving with the Plan:***

- Americans are living longer — you may have to stretch your dollars over a longer retirement
- Inflation will take its toll on your savings so be sure to invest your money wisely
- Social Security and your pension income will probably not be enough to support you when you are no longer working
- Health insurance costs are on the rise

For a description of each investment option, including the expected risk and return for each category, refer to the *Investment Options Booklet* included with this guide or online at [www.oregon.gov/pers/osgp](http://www.oregon.gov/pers/osgp). Be sure to review the booklet before choosing your investments. You may also review the *Performance Report* online for historical performance. Statements about the relative risk and return of investment options do not represent predictions of how the investments will perform in the future, but rather provide a general description of the current investment and past performance. The State can not guarantee past performance or predict future results.

You can choose to invest your Roth dollars separately from pre-tax dollars once you have enrolled and have established an account. Just log in to your account and change your future allocations accordingly.



## What Type of Investor Are You?

If you're unsure of the level of risk you may be willing to take, complete the risk questionnaire available online at <http://osgp.participant-connection.com/pages/risk-assessment>.

# Still Need Convincing?

The Plan offers these additional features to help you save for retirement.

## Rollovers into the Plan

You can roll money from a prior employer's retirement plan into your Oregon Savings Growth Plan account. More money could mean more earnings. Plus, you'll have fewer accounts to track. Complete the *Transfer/Rollover In* form included in the back of this guide.

## Loans

The Plan allows you to borrow a portion of your account balance in the form of a loan, as long as your employer participates in the loan program and you have an account balance of at least \$2,050. A one-time, non-refundable \$50 loan application fee will be applied to each loan. A minimum of \$1,000 up to a maximum of \$50,000 or 50% of your vested account balance may be borrowed.

## Additional Catch-up Provisions

If you are age 50 or older, you may be eligible to contribute an additional amount to your account. Or, if you are within three calendar years of the year in which you are eligible to retire, you may be eligible to contribute double the annual IRS contribution limit.

## Transition Counseling

Depending on where you are in your career, retirement may not be that far away. Through the Plan, you have access to counselors who can advise you on the options available for your Plan account—all for free!



## The Cost of Waiting

Julie starts saving \$100/month at age 32. She contributes for 10 years, letting her account grow for 30 years.



\$12,000

Total Contributions

\$181,253

Approx.  
value at  
age 62

Michael waits 10 years. He starts saving \$100/month at age 42. He contributes for 30 years.



\$36,000

Total Contributions

\$140,855

Approx.  
value at  
age 62

Look at the difference!

Assumptions: Each individual makes a \$100 monthly contribution earning an 8 percent annually compounded return. This is an example and is not intended to guarantee an actual rate of return. Actual returns may be more or less, depending on your investments.



## Enroll in the Plan Now!

Take the first step to saving for your future and complete the *Enrollment and Beneficiary Forms* and return today.



