



# Ohio Deferred Compensation can help you achieve a more comfortable retirement



## What is Ohio Deferred Compensation (Ohio DC)?

Ohio DC is a supplemental 457(b) retirement plan for all Ohio public employees that offers a tax-advantaged way to save money for retirement. Pre-tax contributions and any earnings are taxed as ordinary income when withdrawn. Some employers also offer Roth post-tax contributions, which allow tax-free withdrawals (subject to certain conditions). Ohio DC is designed for long-term investing. However, unlike with 401(k) or 403(b) plans, you can withdraw money from your account — no matter your age — upon separation of employment.

## Why start saving with Ohio DC?

Saving with Ohio DC helps to fill the potential gap between what your pension provides and the income you may need to retire comfortably. Consider this: A 65-year-old couple retiring this year may need \$318,000 (in today's dollars) just to cover medical expenses throughout retirement.<sup>1</sup>

## How do you put money in your account?

That's the easiest part! Enroll using the instructions to the right. Your contributions are automatically deducted from your paycheck, contributed to your Ohio DC account and invested as you direct. You can contribute pre-tax, post-tax (if allowed by your employer) or a combination of both, up to the annual contribution limit.


## What other resources does Ohio DC offer?

Ohio DC has partnered with Enrich to provide you access to its wide array of personalized tools designed to boost your financial wellness. This financial wellness program will provide you with resources to assist you in making your dreams a reality. It is a one-stop destination for all personal finance questions, from budgeting, banking and insurance to investing, debt management and more!

As a participant in Ohio DC, you benefit from the size of the Program. Ohio DC's size allows us to offer institutional pricing for our investments and lower administrative costs than other similar plans. Lower fees make a huge difference in your overall retirement income.

Take action! Enroll online at [Ohio457.org](https://Ohio457.org) or scan this code.



 877-644-6457

 [Ohio457.org](https://Ohio457.org)



Committing to increasing retirement savings each year can really make a difference! The chart below shows how the savings amount and the SMarT (Save More Tomorrow) Automatic Increase Plan could impact take-home pay and the amount that could accumulate over time.

A Contribution per pay (biweekly – 26/year)	B SMarT (annual increase)	C First-year actual pay reduction	D First-year annual contribution	E First-year actual annual pay reduction	F Accumulation in 10 years	G 20-year monthly payout	H Accumulation in 20 years	I 20-year monthly payout	J Accumulation in 30 years	K 20-year monthly payout
\$25	\$0	\$18.75	\$650	\$488	\$8,812	\$53	\$24,593	\$148	\$52,855	\$318
<b>\$25</b>	<b>\$5</b>	<b>\$18.75</b>	<b>\$650</b>	<b>\$488</b>	<b>\$15,901</b>	<b>\$96</b>	<b>\$62,001</b>	<b>\$373</b>	<b>\$162,183</b>	<b>\$977</b>
\$50	\$0	\$37.50	\$1,300	\$975	\$17,624	\$106	\$49,187	\$296	\$105,710	\$637
<b>\$50</b>	<b>\$10</b>	<b>\$37.50</b>	<b>\$1,300</b>	<b>\$975</b>	<b>\$31,801</b>	<b>\$192</b>	<b>\$124,001</b>	<b>\$747</b>	<b>\$324,366</b>	<b>\$1,953</b>
\$100	\$0	\$75	\$2,600	\$1,950	\$35,249	\$212	\$98,374	\$592	\$211,421	\$1,273
<b>\$100</b>	<b>\$10</b>	<b>\$75</b>	<b>\$2,600</b>	<b>\$1,950</b>	<b>\$49,426</b>	<b>\$298</b>	<b>\$173,188</b>	<b>\$1,043</b>	<b>\$430,077</b>	<b>\$2,590</b>
\$200	\$0	\$150	\$5,200	\$3,900	\$70,497	\$425	\$196,747	\$1,185	\$422,842	\$2,546
<b>\$200</b>	<b>\$20</b>	<b>\$150</b>	<b>\$5,200</b>	<b>\$3,900</b>	<b>\$98,851</b>	<b>\$595</b>	<b>\$346,376</b>	<b>\$2,086</b>	<b>\$860,154</b>	<b>\$5,180</b>
\$300	\$0	\$225	\$7,800	\$5,850	\$105,746	\$637	\$295,121	\$1,777	\$634,263	\$3,820
<b>\$300</b>	<b>\$30</b>	<b>\$225</b>	<b>\$7,800</b>	<b>\$5,850</b>	<b>\$148,277</b>	<b>\$893</b>	<b>\$519,565</b>	<b>\$3,129</b>	<b>\$1,290,230</b>	<b>\$7,700</b>
\$400	\$0	\$300	\$10,400	\$7,800	\$140,995	\$849	\$393,495	\$2,370	\$845,683	\$5,093
<b>\$400</b>	<b>\$30</b>	<b>\$300</b>	<b>\$10,400</b>	<b>\$7,800</b>	<b>\$183,526</b>	<b>\$1,105</b>	<b>\$617,938</b>	<b>\$3,721</b>	<b>\$1,501,651</b>	<b>\$9,043</b>
\$500	\$0	\$375	\$13,000	\$9,750	\$176,243	\$1,061	\$491,868	\$2,962	\$1,057,104	\$6,366
<b>\$500</b>	<b>\$30</b>	<b>\$375</b>	<b>\$13,000</b>	<b>\$9,750</b>	<b>\$218,774</b>	<b>\$1,318</b>	<b>\$716,312</b>	<b>\$4,314</b>	<b>\$1,713,072</b>	<b>\$10,316</b>
\$600	\$0	\$450	\$15,600	\$11,700	\$211,492	\$1,274	\$590,242	\$3,555	\$1,268,525	\$7,639
<b>\$600</b>	<b>\$30</b>	<b>\$450</b>	<b>\$15,600</b>	<b>\$11,700</b>	<b>\$254,023</b>	<b>\$1,530</b>	<b>\$814,686</b>	<b>\$4,906</b>	<b>\$1,924,493</b>	<b>\$11,590</b>

This chart is for a single person with an annual salary of \$38,000 and a hypothetical 25% tax rate for federal income tax purposes. The accumulations assume biweekly contributions at an effective rate of return of 6% compounded biweekly. Payout amounts are based on a 4% rate of return. Qualified plans and IRAs are different, including fees and when you can access funds. Rolled-over assets may be subject to surrender charges, other fees and/or a 10% penalty if withdrawn before age 59½.

<sup>1</sup> "Projected Savings Medicare Beneficiaries Need for Health Expenses Remained High in 2022," Jake Spiegel and Paul Fronstin, EBRI Issue Brief No. 580 (Feb. 9, 2023).

Although Nationwide is not affiliated with Enrich, the Ohio DC plan has contracted with them to offer you financial wellness resources.

Investing involves market risk, including possible loss of principal. Account Executives do not offer investment, tax or legal advice.

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