

Northwest AGC Chapters

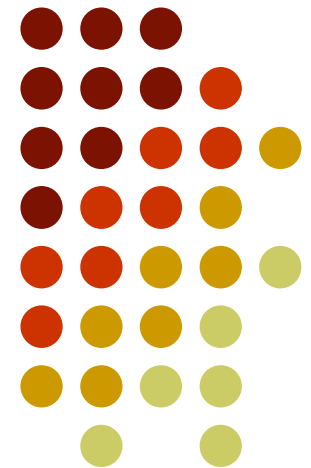
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Retirement Plan



Presentation Overview

- The Plan & Objectives
- Economies of Scale & Group Buying Power
- Prevailing Wage Plan Expertise
- Services Provided by the Plan
- Compare & Contract AGC Offering for You



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Retirement Plan



Introduction

- Primary Goals

- Overview of NW AGC Chapters Plan
- How this Plan will save you money
- Illustration/Comparison of your Plan



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Retirement Plan



Objectives of the NW AGC Retirement Plan

- Deliver competitive program to members
 - Provide benefit to employees at no cost to owners
 - Low cost, high performing investment options
- Cater to unique needs of the industry
- Superior service
- Build the industry



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Retirement Plan



The Northwest AGC Retirement Program

- Multiple-employer plan where the participants and assets of AGC Members are pooled in a single retirement plan
- AGC members only
- Low cost high performing funds
- Defined Contribution Plan
 - 401(k) Feature
 - Profit Sharing Feature
 - Prevailing Wage Design Feature



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Retirement Plan



The Northwest AGC Retirement Plan

- Multiple Designs
- Independent service providers
 - Plan Custodian = Charles Schwab Trust Co.
 - Recordkeeper/Web = NW Plan Services
 - Investment Advisor = Reliant Consulting
 - Auditors
 - Legal
 - 9 Employer and AGC Chapter Trustees



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Retirement Plan



Size/Scale of NW AGC Chapters Plan

- \$160 Million
- 100+ Employers located in Alaska, Idaho, Oregon, and Washington
- 4,500 Plan Participants
- Prevailing Wage Plan Design Feature



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Retirement Plan



Benefits of AGC Plan/Scale

- Reduced fees from group purchasing power
- Lower cost = more savings!
- Access to better investment options
- Direct payroll tax savings on prevailing wage fringe payments
- Plan design flexibility
- Reduced employer liability
- Robust investment menu



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Retirement Plan



- Administration Cost Savings
 - All fees paid from plan assets
 - Significantly lower fees than small contractors can get with a stand-alone plan
 - Access to low cost investment options that are only available to large plans
 - Consolidated audit, legal, and oversight fees



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Retirement Plan



- Prevailing Wage Cost Savings
 - All or a portion of prevailing wage fringe payments may be made as an employer contribution to the plan
 - Fringe contributions are NOT counted as wages for:
 - FICA and Medicare (saves you 7.65%)
 - L&I/Workers' Comp (saves you up to 25%)
 - Any other compensation-based taxes



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Retirement Plan



- Provision Flexibility
 - Eligibility
 - Contribution Amounts and Types
 - Company owners may receive a larger contribution as a percentage of pay than non-owners
 - Vesting Schedule
 - Loans
 - In-service withdrawal amounts and events



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Retirement Plan



- Reduced Employer Liability
 - Single plan document: you only sign the Joinder Agreement electing your provisions
 - Trustee Committee is the plan Fiduciary
 - Fiduciary Bond purchased by the plan
 - Plan retains counsel, recordkeeper, and investment advisor
 - Single plan-wide Form 5500. Individual employers do not prepare or sign this form



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Retirement Plan



- Robust Investment Menu
 - 17 core investment options
 - Full suite of target retirement date funds
 - Lowest expense share class available
 - Multiple fund families represented
 - No proprietary products
 - Performance of investment options are evaluated regularly



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Retirement Plan

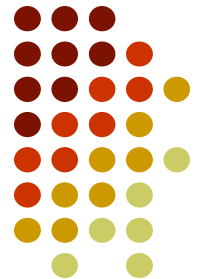


Core Funds:

- Cohen & Steers Instl Realty Shares
- DFA Emerging Markets I
- Conestoga Small Cap
- Vanguard S&P Mid Cap 400 Index Instl
- American Funds EuroPacific R6
- Vanguard S&P Small Cap 600 Index Instl
- Northern Small Cap Value
- PRIMECAP Odyssey Agg Gr
- T. Rowe Price Instl Large Cap Growth
- JP Morgan Mid Cap Value I
- Vanguard Institutional Index
- Mairs & Power Growth
- Vanguard Value Index Fund Adm Shares
- Vanguard Intermediate Term Treasury
- Loomis Sayles Bond Institutional
- Dodge & Cox Income
- Morley Stable Value Fund

Target Retirement Date Funds:

- Vanguard Target Retirement Income
- Vanguard Target 2015
- Vanguard Target 2020
- Vanguard Target 2025
- Vanguard Target 2030
- Vanguard Target 2035
- Vanguard Target 2040
- Vanguard Target 2045
- Vanguard Target 2050
- Vanguard Target 2055
- Vanguard Target 2060



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Retirement Plan



Accessing Your Account

● Online Account Access

- View your account balance
- Make investment fund transfers of existing savings
- View or change your future savings investment directions
- Track your progress towards your retirement goals
- View your transaction history
- View investment fund prices and performance information
- Download forms

● Phone Benefit System

- Check your account balance
- Make investment fund transfers of existing savings
- Confirm or change your future savings investment directions





Potential Disadvantages of AGC Plan

- Design Features somewhat limited
- Not 100% custom



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Retirement Plan



How You Save Money

- All fees are deducted from participant balances
- One-time, set-up fee: \$0
- Annual asset-based fee: 17-61 bps
- Annual participant fee: \$60
- On-going Investment Fund Fees 33 bps
- Direct purchaser - no layers of broker/intermediary fees



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Retirement Plan



Our Value Proposition To You

- Compare/Contrast Current Provider to AGC
- Administrative Expenses
- Investment Fund Fees
- Brokerage Fees & Commissions
- Investment Performance
- Fiduciary Risk – Legal Review, Fund Oversight & Audit
- ***OUTCOME: Confirm or Improve Your Plan***

