



## SPECIAL MEETING OF THE BOARD OF DIRECTORS

**IDYLLWILD WATER DISTRICT**  
**25945 Highway 243**  
**Idyllwild, CA 92549**

**December 14, 2022 – 6:00 P.M.**

**Pursuant to AB 361 and action taken by the Board pursuant to such, this meeting will be held in person and virtually.**

Join Zoom Meeting

<https://us06web.zoom.us/j/89366166976?pwd=bE9hamN2b0RwS1k3UEdlYVBibkgvUT09>

Meeting ID: 893 6616 6976

Passcode: 719405

One tap mobile

+16694449171,,89366166976#,,,,\*719405# US

+17207072699,,89366166976#,,,,\*719405# US (Denver)

Dial by your location

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+1 720 707 2699 US (Denver)

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+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 719 359 4580 US

+1 309 205 3325 US

+1 312 626 6799 US (Chicago)

+1 360 209 5623 US

+1 386 347 5053 US

+1 507 473 4847 US

+1 564 217 2000 US

+1 646 558 8656 US (New York)

+1 646 931 3860 US

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Find your local number: <https://us06web.zoom.us/j/kcgZ6FL9j>

## **AGENDA**

### **CALL TO ORDER**

### **ROLL CALL**

### **SWEAR IN DIRECTORS**



## **PUBLIC COMMENTS**

Any person may address the Board at this time upon any subject not identified on this Agenda but within the jurisdiction of the district. Please note that for items not listed on the agenda, the Brown Act imposes limitations on what the Board may do at this time. The Board may not act on the item at this meeting. As to matters on the agenda, persons will be given an opportunity to address the Board when the matter is considered. Each speaker will be given four (4) minutes to address the Board. Comments should be directed to the Board as a whole and not directed to individual Board members.

### **1. CONSENT CALENDAR – 5 minutes**

Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately.

#### **A. MINUTES**

Regular Board Meeting: November 16, 2022

#### **B. FINANCIAL REPORTS**

1. Income statement for the three-month ending November 30, 2022

2. District warrants for November 2022

Check # 17441-17487	= \$	254836.86
Gross Payroll	= \$	68,830
Federal/State PR taxes	= \$	5,675
LAIF Transfers	= \$	0.00
Transfers/charges	= \$	312.4

#### **C. OPERATIONS REPORT**

#### **D. CONSIDER CONTINUATION OF REMOTE MEETINGS PURSUANT TO AB 361 AND MAKE REQUIRED FINDINGS**

Board of Directors will consider continuing remote meetings pursuant to AB 361

## **INFORMATION**

### **2. GENERAL MANAGER REPORT – 5 minutes**

## **DISCUSSION ITEMS**

### **3. PENSION PRESENTATION FROM PCS – 15 minutes**

## **CLOSED SESSION**



**4. CONFERENCE WITH REAL PROPERTY NEGOTIATOR – GOV'T CODE SECTION 54956.8**

Property Description: Assessor's Parcel Number (APN) 906-040-021

Agency: Idyllwild Water District

District Negotiator: Leo Havener, General Manager

Negotiating Parties: Malek Alqudi

Under Negotiation: Price and Terms

**5. CONFERENCE WITH REAL PROPERTY NEGOTIATOR – GOV'T CODE SECTION 54956.8**

Property Description: Assessor's Parcel Number (APN) 557-120-002

Agency: Idyllwild Water District

District Negotiator: Leo Havener, General Manager

Negotiating Parties: Idyllwild Arts School

Under Negotiation: Price and Terms

**DIRECTORS COMMENTS** – 5 minutes

**ADJOURNMENT**

The next Board meeting is a Regular Meeting scheduled for January 18, 2023, at 6:00 p.m., to be held at the Idyllwild Water District Boardroom, 25945 Hwy. 243, Idyllwild, CA 92549.

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**Americans with Disabilities Act:** In compliance with the ADA, if you need special assistance to participate in a District meeting or other services offered by this District, please contact the district office @ 951-659-2143 or email: [office@idyllwildwater.com](mailto:office@idyllwildwater.com). Upon request, the agenda and documents in the agenda packet can be made available in appropriate alternative formats to persons with a disability. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the district staff in assuring those reasonable arrangements can be made to provide accessibility to the meeting.



# IDYLLWILD WATER DISTRICT

## Memo

**To:** Board of Directors  
**From:** Leo Havener, General Manager  
**Date:** December 14 , 2022  
**Subject:** Item 1A – Board Minutes

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### Recommendation:

Board of Directors approve November 16 , 2022, Board meeting minutes.

### Attachments:

- Minutes of Regular Meeting of the Board of Directors





**361 AND MAKE REQUIRED FINDINGS**

Board of Directors will consider continuing remote meetings pursuant to AB 361

**DIRECTOR COMMENTS**

Director Olson requested the variance on the monthly financial statement be reflective of the current month.

**PUBLIC COMMENTS**

None.

**A MOTION** was made by President Schelly to approve Consent Calendar. Director Olson seconded.

The vote was as follows:

**AYES**

Director Olson  
Vice President Szabadi  
President Schelly

**NAYS**

**ABSTAIN**

**ABSENT**

Director Kunkle  
Director Gin

**Motion approved.**

**ACTION ITEMS**

Item 5 was moved forward to accommodate Scott Manno of time constraints.

**5. CONSIDER ACCEPTANCE OF THE FISCAL YEAR 2021 – 2022 AUDIT**

Board of Directors will consider accepting the Fiscal Year 2021 – 2022 audit.

**DIRECTORS COMMENTS**

Scott, gave an overview of the audit and indicated the that the District received a “Clean Opinion” pertaining to its finances.

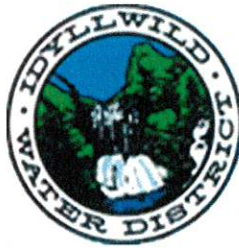
Vice President Szabadi inquired into details of the audit process.

**PUBLIC COMMENTS**

None.

**A MOTION** was made by Vice President Szabadi to approve accepting the Fiscal Year 2021 – 2022 audit. Director Olson seconded.

The vote was as follows:



**AYES**

Director Olson  
Vice President Szabadi  
President Schelly

**NAYS**

**ABSTAIN**

**ABSENT**

Director Kunkle  
Director Gin

Motion approved.

**INFORMATION**

**2. GENERAL MANAGER REPORT**

General Manager Havener presented his report and addressed questions.

**DIRECTORS COMMENTS**

None.

**PUBLIC COMMENTS**

Becky Clark inquired about the pictures in the General Manager Report.

**DISCUSSION ITEMS**

**3. DISTRICT VEHICLES AND PERSONAL USE POLICY**

Directors and staff discussed vehicle policy and Incident Report and Maintenance Records.

**DIRECTORS COMMENTS**

Directors appreciated receiving the Incident Report and Maintenance Records.

**PUBLIC COMMENTS**

None.

**4. WATER POLICY**

General Manager Havener presented water policy considerations and triggers and addressed questions.

**DIRECTORS COMMENTS**

General Manager Havener addressed various questions from Directors and public.



**ACTION ITEMS**

- 5. **CONSIDER ACCEPTANCE OF THE FISCAL YEAR 2021 – 2022 AUDIT**  
Was move prior to Item 2 to accommodate Scott Manno of time constraints.
  
- 6. **CONSIDER INVESTING WITH CALIFORNIA CLASS AND APPROVING RESOLUTION 788**  
Board of Directors approve IWD investing public funds with California Class and approving Resolution 788.

**DIRECTORS COMMENTS**

President Schelly gave an overview of California Class.  
Vice President Szabadi requested that the investment be limited to \$25,000.

**PUBLIC COMMENTS**

None.

**A MOTION** was made by Director Olson to approve IWD investing public funds be limited to \$25,000 with California Class and approving Resolution 788. Vice President Szabadi seconded.

The vote was as follows:

<b><u>AYES</u></b>	<b><u>NAYS</u></b>	<b><u>ABSTAIN</u></b>	<b><u>ABSENT</u></b>
Director Olson Vice President Szabadi President Schelly			Director Kunkle Director Gin

**Motion approved.**

**DIRECTORS COMMENTS**

None.

**CLOSED SESSION**

- 1. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR – GOV'T CODE SECTION 54956.8**

Property Description: Assessor's Parcel Number (APN) 906-040-021  
 Agency: Idyllwild Water District  
 District Negotiator: Leo Havener, General Manager  
 Negotiating Parties: Malek Alqudi





Under Negotiation: Price and Terms

**2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR – GOV'T CODE SECTION 54956.8**

Property Description: Assessor's Parcel Number (APN) 557-120-002  
Agency: Idyllwild Water District  
District Negotiator: Leo Havener, General Manager  
Negotiating Parties: Idyllwild Arts School  
Under Negotiation: Price and Terms

The Board resumed Open Session at 7:38 p.m.

**REPORT FROM CLOSED SESSION**

No reportable action.

**ADJOURNMENT**

Board adjourned at 7:38 p.m.

IDYLLWILD WATER DISTRICT

IDYLLWILD WATER DISTRICT

BY: \_\_\_\_\_

BY: \_\_\_\_\_

Leo Havener  
BOARD SECRETARY

Dr. Charles Schelly  
BOARD PRESIDENT



# IDYLLWILD WATER DISTRICT

## Memo

**To:** Board of Directors  
**From:** Leo Havener, General Manager  
**Date:** December 14, 2022  
**Subject:** Item 1B – Financial Reports

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### Recommendation:

Board of Directors accept November 2022 Financial Reports.

### Attachments:

- Water Fund Condensed Income Statement
- Sewer Fund Condensed Income Statement
- District Warrants and Other Disbursements

# IDYLLWILD WATER DISTRICT

## Water Fund Condensed Income Statement

Fiscal Year 2022 - 2023

For November 2022

Operating Revenues Condensed By Category	For November 2022			Year to Date: July - November 2022		
	Actual	Budget	Variance %	Actual	Budget	Variance %
Base - Residential / Commercial	85,127	85,127	- 0.00%	425,635	425,635	- 0.00%
Sales - Residential / Commercial	58,080	70,000	(11,920) -17.03%	314,614	373,000	(58,386) -15.65%
Other Operating Revenue	-	-	- 0.00%	100	100	- 0.00%
Other Non - Operating Revenue	-	-	- 0.00%	-	-	- 0.00%
<b>Total Operating Revenues</b>	<b>143,207</b>	<b>155,127</b>	<b>(11,920) -7.68%</b>	<b>740,349</b>	<b>798,735</b>	<b>(58,386) -7.31%</b>

Operating Revenue By Category	For November 2022			Year to Date: July - November 2022		
	Actual	Budget	Variance %	Actual	Budget	Variance %
Base Rate - Residential	63,089	63,089	- 0.00%	315,445	315,445	- 0.00%
Base Rate - Commercial	22,038	22,038	- 0.00%	110,190	110,190	- 0.00%
Sales - Residential	31,037	40,000	(8,963) -22.41%	160,469	194,000	(33,531) -17.28%
Sales - Commercial	27,043	30,000	(2,957) -9.86%	154,145	179,000	(24,855) -13.89%
Sales - Sewer	-	-	- 0.00%	-	-	- 0.00%
Sales - Construction / Other	-	-	- 0.00%	-	-	- 0.00%
Transfer Fees	-	-	- 0.00%	-	-	- 0.00%
Turn On / Off Fees	-	-	- 0.00%	-	-	- 0.00%
Lien & Lien Release Fees	-	-	- 0.00%	-	-	- 0.00%
Delinquency Fees	-	-	- 0.00%	-	-	- 0.00%
Will Serve Letter Fees	-	-	- 0.00%	-	-	- 0.00%
Other Miscellaneous	-	-	- 0.00%	-	-	- 0.00%
Installation Fees	-	-	- 0.00%	-	-	- 0.00%
Capacity Fees	-	-	- 0.00%	-	-	- 0.00%
<b>Total Operating Revenues</b>	<b>143,207</b>	<b>155,127</b>	<b>(11,920) -7.68%</b>	<b>740,249</b>	<b>798,635</b>	<b>(58,386) -7.31%</b>

# IDYLLWILD WATER DISTRICT

## Water Fund Condensed Income Statement

Fiscal Year 2022 - 2023  
For November 2022

Water Sales in Cubic Feet	For November 2022			Year to Date: July - November 2022		
	Residential	Commercial	Total CF	Residential	Commercial	Total CF
R1 5/8	403,899	62,532	466,431	2,906,906	2,840,660	5,747,566
R2 3/4	16,193	6,952	23,145	100,537	141,230	241,767
R3 1"	29,736	71,082	100,818	273,568	415,965	689,533
R4 1.1/2"	-	19,228	19,228	66,083	111,445	177,528
R5 2"	-	4,038	4,038	13,175	23,645	36,820
R6 3"	-	1,654	1,654	50,554	112,500	163,054
IA 3"	-	67,653	67,653	395,244	749,920	1,145,164
NC-VVWTP	-	1,747	1,747	5,663	10,765	16,428
<b>Total Water Sales In Cubic Feet</b>	<b>449,828</b>	<b>234,886</b>	<b>684,714</b>	<b>3,811,730</b>	<b>4,406,130</b>	<b>8,217,860</b>

Number of Water Accounts	For November 2022			For July 2021			
	Residential	Commercial	Total	Residential	Commercial	Total	Variance %
R1 5/8	1,430	104	1,534	1,430	104	1,534	0%
R2 3/4	12	18	30	12	18	30	0%
R3 1"	45	36	81	45	36	81	0%
R4 1.1/2"	-	16	16	-	16	16	0%
R5 2"	-	8	8	-	8	8	0%
R6 3"	-	1	1	-	1	1	0%
IA 3"	-	1	1	-	1	1	0%
NC-VVWTP	-	1	1	-	1	1	0%
<b>Total Number of Water Accounts</b>	<b>1,487</b>	<b>185</b>	<b>1,672</b>	<b>1,487</b>	<b>185</b>	<b>1,672</b>	<b>0%</b>

Number of Sewer Accounts	For November 2022			For July 2021			
	Residential	Commercial	Total	Residential	Commercial	Total	Variance %
Sewer Acct S	422	164	586	422	164	586	0%
Fire Services F "2"	-	-	-	-	-	-	0%
Fire Services F "3"	-	-	-	-	-	-	0%
Fire Services F "4"	-	3	3	-	3	3	0%
<b>Total Number of Sewer Accounts</b>	<b>422</b>	<b>167</b>	<b>589</b>	<b>422</b>	<b>167</b>	<b>589</b>	<b>0%</b>
<b>Total Water And Sewer Accounts</b>	<b>1,909</b>	<b>352</b>	<b>2,261</b>	<b>1,909</b>	<b>352</b>	<b>2,261</b>	<b>0%</b>

# IDYLLWILD WATER DISTRICT

## Water Fund Condensed Income Statement

Fiscal Year 2022 - 2023  
For November 2022

Water Operating Expenses By Category	For November 2022			Year to Date: July - November 2022		
	Actual	Budget	Variance %	Actual	Budget	Variance %
1 - Wages and Salaries Expenses	55,350	56,000	650 1.16%	272,840	278,979	6,139 2.20%
2 - Retirement Plan and Life Insurance	-	3,370	3,370 100.00%	13,268	16,850	3,582 21.26%
3 - Medical Insurance	24,725	10,500	(14,225) -135.48%	60,983	51,600	(9,383) -18.18%
4 - Uniform Expenses	-	-	- 0.00%	900	2,700	1,800 66.67%
5 - Workers Comp Insurance	-	-	- 0.00%	3,507	8,000	4,493 56.16%
6 - Retirement Medical Insurance	-	-	- 0.00%	-	-	- 0.00%
7 - Board Reimbursement	-	600	600 100.00%	1,919	3,000	1,081 36.03%
8 - Office Supplies	-	1,500	1,500 100.00%	3,348	7,500	4,152 55.36%
9 - Office Cleaning Service	-	250	250 100.00%	900	1,250	350 28.00%
10 - Postage and Mailing Fees	-	1,500	1,500 100.00%	2,079	7,500	5,421 72.28%
11 - Training and Education	-	500	500 100.00%	-	2,500	2,500 100.00%
12 - Traveling, Mileage, Meals Reimbursement	-	1,000	1,000 100.00%	942	5,000	4,058 81.16%
13 - Dues, Fees, Subscriptions	109	1,500	1,391 92.73%	3,992	7,500	3,508 46.77%
14 - Computer Services	1,950	1,800	(150) -8.33%	8,345	8,800	455 5.17%
15 - Legal Services	1,938	2,000	62 3.10%	13,968	10,000	(3,968) -39.68%
16 - Engineering and Consulting	-	3,000	3,000 100.00%	2,219	12,100	9,881 81.66%
17 - Utilities, Electricity	4,668	8,000	3,332 41.65%	33,389	40,900	7,511 18.36%
18 - Utilities, Gas and Fuel	-	620	620 100.00%	2,200	3,100	900 29.03%
19 - Utilities, Propane	30	100	70 70.00%	324	500	176 35.20%
20 - Utilities, Telephone and Internet	2,341	2,500	159 6.36%	11,367	12,500	1,133 9.06%
21 - Utilities, Waste Management Fees	222	250	28 11.20%	1,110	1,250	140 11.20%
22 - Auto and Property Insurance	-	5,000	5,000 100.00%	26,903	30,000	3,097 10.32%
21 - State and County Water System Fees	-	14,000	14,000 100.00%	12,425	28,000	15,576 55.63%
22 - General Plant and Treatment Services	14,622	12,500	(2,122) -16.98%	68,042	62,500	(5,542) -8.87%
23 - Vehicles Repairs and Maintenance	276	1,500	1,224 81.60%	4,687	7,500	2,813 37.51%
25 - Laboratory Services	3,098	4,000	902 22.54%	14,565	20,000	5,435 27.17%
26 - Water Security System	-	500	500 100.00%	-	2,500	2,500 100.00%
27 - Advertising and Publishing	-	1,200	1,200 100.00%	3,166	6,000	2,834 47.23%
28 - Bank Fee Charge	-	250	250 100.00%	1,109	1,250	141 11.28%
29 - Water Maintenance and Supplies	-	2,000	2,000 100.00%	24,103	10,000	(14,103) -141.03%
30 - Accounting and Auditing Fees	-	2,000	2,000 100.00%	6,150	10,000	3,850 38.50%
31 - Liability, Property and Auto Insurance	-	40,000	40,000 100.00%	37,297	80,000	42,703 53.38%
<b>Total Operating Expenses</b>	<b>109,329</b>	<b>177,940</b>	<b>68,611 38.56%</b>	<b>636,047</b>	<b>739,279</b>	<b>103,232 13.96%</b>
<b>Total Income And (Loss)</b>	<b>33,878</b>	<b>(22,813)</b>		<b>104,302</b>	<b>59,456</b>	

**IDYLLWILD WATER DISTRICT**  
**Sewer Fund Condensed Income Statement**

Fiscal Year 2022 - 2023  
 For November 2022

Operating Revenue By Category	For November 2022			Year to Date: July - November 2022		
	Actual	Budget	Variance %	Actual	Budget	Variance %
Base - Residential / Commercial	61,800	61,800	0.00%	309,000	309,000	0.00%
Other Operating Revenue	-	-	0.00%	-	-	0.00%
<b>Total Operating Revenues</b>	<b>61,800</b>	<b>61,800</b>	<b>0.00%</b>	<b>309,000</b>	<b>309,000</b>	<b>0.00%</b>

Sewer Operating Expenses By Category	For November 2022			Year to Date: July - November 2022		
	Actual	Budget	Variance %	Actual	Budget	Variance %
1 - Wages and Salaries Expenses	13,480	15,000	(1,520) -10.13%	62,068	69,000	(6,932) -10.05%
2 - Retirement Plan and Life Insurance	-	1,500	(1,500) -100.00%	4,136	6,660	(2,524) -37.90%
3 - Medical Insurance	8,241	3,500	4,741 135.46%	22,286	16,900	5,386 31.87%
4 - Uniform Expenses	-	-	- 0.00%	900	1,059	(159) -15.01%
5 - Worker's Comp Insurance	-	-	- 0.00%	1,550	4,740	(3,190) -67.30%
6 - Retirement Medical Insurance	-	-	- 0.00%	760	9,250	(8,490) -91.78%
7 - Board Reimbursement	-	-	- 0.00%	510	800	(290) -36.25%
8 - Office Supplies	325	590	(265) -44.92%	1,502	2,950	(1,448) -49.08%
9 - Office Cleaning Service	75	150	(75) -50.00%	375	510	(135) -26.47%
10 - Postage and Mailing Fees	-	-	- 0.00%	1,824	1,375	449 32.65%
11 - Training and Education	-	-	- 0.00%	-	550	(550) -100.00%
12 - Traveling, Mileage, Meals Reimbursement	-	-	- 0.00%	-	2,500	(2,500) -100.00%
13 - Dues, Fees, Subscriptions	36	500	(464) -92.80%	1,853	2,500	(647) -25.88%
14 - Computer Services	650	600	50 8.33%	2,826	3,000	(174) -5.80%
15 - Legal Services	646	285	361 126.67%	5,229	1,425	3,804 266.95%
16 - Utilities: Electricity	64,136	5,000	59,136 1182.72%	78,336	23,950	54,386 227.08%
17 - Utilities: Gas and Fuel	175	213	(38) -17.84%	-	1,065	(1,065) -100.00%
18 - Utilities: Propane	-	-	- 0.00%	-	-	- 0.00%
19 - Utilities: Telephone and Internet	773	1,000	(227) -22.70%	3,750	5,000	(1,250) -25.00%
20 - Utilities: Waste Management Fees	74	80	(6) -7.50%	370	400	(30) -7.50%
21 - Vehicles Repairs and Maintenance	9,581	1,500	8,081 538.73%	18,173	4,500	13,673 303.84%
22 - Engineering Services	-	200	(200) -100.00%	-	1,000	(1,000) -100.00%
23 - Maintenance and Supplies	-	1,000	(1,000) -100.00%	842	2,300	(1,458) -63.39%
24 - General Plant Services	5,979	5,000	979 19.58%	14,450	25,000	(10,550) -42.20%
25 - Sewer Permit and License (State Fee)	-	500	(500) -100.00%	-	2,500	(2,500) -100.00%
26 - Minor Equipment and Supplies	-	125	(125) -100.00%	123	-	123 #DIV/0!
27 - Sewer Lease	-	-	- 0.00%	-	-	- 0.00%
28 - Advertising and Publishing	-	-	- 0.00%	899	2,500	(1,601) -64.04%
29 - Laboratory Services	1,032	2,000	(968) -48.40%	4,853	8,000	(3,147) -39.34%
30 - Sewer Security System (ADT)	-	-	- 0.00%	-	1,500	(1,500) -100.00%
31 - Accounting and Auditing Fees	-	-	- 0.00%	3,200	20,000	(16,800) -84.00%
32 - Liability, Property and Auto Insurance	-	-	- 0.00%	17,795	40,500	(22,705) -56.06%
33 - Waste Disposal Fees	3,291	4,000	(709) -17.73%	3,291	8,000	(4,709) -58.86%
<b>Total Operating Expenses</b>	<b>108,494</b>	<b>42,743</b>	<b>65,751 153.83%</b>	<b>251,901</b>	<b>266,334</b>	<b>(15,033) -5.63%</b>

Total Income And (Loss) (46,694) 19,057

# IDYLLWILD WATER DISTRICT

## Sewer Fund Condensed Income Statement

Fiscal Year 2022 - 2023

For November 2022

Operating Revenue By Category	For November 2022			Year to Date: July - November 2022		
	Actual	Budget	Variance %	Actual	Budget	Variance %
Base Rate - Commercial	41,513	41,513	0.00%	207,565	83,026	124,539 150.00%
Base Rate - Residential	20,287	20,287	0.00%	101,435	40,574	60,861 150.00%
Transfer Fees	-	-	0.00%	-	-	- 0.00%
Facility Charge From IAF	-	-	0.00%	-	-	- 0.00%
Inspection Fee	-	-	0.00%	-	-	- 0.00%
Other Miscellaneous	-	-	0.00%	-	-	- 0.00%
<b>Total Operating Revenues</b>	<b>61,800</b>	<b>61,800</b>	<b>0.00%</b>	<b>309,000</b>	<b>123,600</b>	<b>185,400 150.00%</b>

Equivalent Dwelling Units (EDUs)	For November 2022			For July 2021		
	Actual	Budget	Variance %	Actual	Budget	Variance %
Residential	459	459	0.00%	459	459	918 -100%
Commercial	939	939	0.00%	939	939	1,878 -100%
<b>Total EDUs</b>	<b>1,398</b>	<b>1,398</b>	<b>0.00%</b>	<b>1,398</b>	<b>1,398</b>	<b>2,796 -100%</b>

<b>Total Sewer Accounts</b>	<b>422</b>	<b>164</b>	<b>586</b>	<b>422</b>	<b>164</b>	<b>586</b>	<b>0%</b>
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# IDYLLWILD WATER DISTRICT

## Memo

**To:** Board of Directors  
**From:** Leo Havener, General Manager  
**Date:** December 14, 2022  
**Subject:** Item 1C – Operations Report

---

### Recommendation:

Board of Directors accept November 2022 Operation Report.

### Attachments:

- Monthly Operations Report
- Well Production Data
- Well Statics
- Water System Schematic for Operations Report

# Idyllwild Water District

## Monthly Operations Report

November 2022

Supplies to System	873,419	CF	20	AF	
Increase / Decrease	215,372	CF	20%	Billing Period	5%
Number of Wells Available	12			333 GPM Available	
Water Sales	684,714	CF	43,859	CF Non-Water Sales	
Total Water/Non-Water Sales	43,859	CF	2%	Loss	Tank Variance = 159,503 CF

Full-Time	FV1A
Part-Time	FV2, #23,24, GR, FL#2, 4, 10, 13, 15

Strawberry Creek Diversion	0	CF	0	AF
Lilly Creek Flow	0	CF	0	AF
Foster Lake Level (Max. 18')	0	Feet	0	Inches

Non-Water Sales	Gallons	CF
WTP Backwash	194,999	26,070
WD Flushing	19,994	2,673
Main Line Leaks		
Distribution Line Leaks		
Fire Dept. Usage	100,000	13,369
Hydrant Sales	6,000	802
Wastewater Plant	13,068	1,747
<b>Total</b>	<b>334,061</b>	<b>44,661</b>

### Well Statics - In Feet, Pumping Level (PL) / Static Level (SL)

Foster Lake Area	SL #3	36'	SL #7	40'	SL #14	42'	FL Avg.	39'
Creek Area	SL #23	9'	SL #24	18'				
Nature Center	SL #26	46'	SL #27	44'	SL #28	126'		
Fern Valley	PL FV1A	434'	PL FV#2	316'				

### Storage Tanks

Location	CF/FT	Level	Volume
Foster Lake	11,698	21.1	246,828
Rock Dale Tank	2,713	21.7	58,981
Delano Tank	1,337	20.5	27,409
South Ridge Tank	3,509	18.6	65,267
Wild Wood Tank	919	11.6	10,660
Golden Rod Tank	891	22.1	19,961

Total	428,836	CF	Storage Supplies Max. 3,702 MGD	87%
Storage In MGD	3.21			
Production Days	28		Production Minutes	40,320
			Average GPM	162

NOVEMBER 2022

Well		Cubic Feet	Acre Feet	Full-Time / Part-Time	Status	GPM	Comment
No.	Name						
1	Horizontal						
2	Foster Lake	289,250	6.64	PT	OFF	74.8	
4	Foster Lake	155,910	3.58	PT	ON	30.9	
10	Foster Lake	30,262	0.69	PT	ON	22	
11	Foster Lake						
12	Foster Lake						
13	Foster Lake	159,518	3.67	PT	ON	16.2	
15	Foster Lake	67,659	1.55	PT	ON	22.3	
18	Foster Lake						
23	Stratton	46,280	1.06	PT	ON	41.3	
24	Curtis	6,900	0.16	PT	ON	30.2	
26	Donahoe						
26	Nature Center						
27	Nature Center						
28	Rock Dale						
1A	Fern Valley	191,910	4.4	FT	ON	40.1	
2	Fern Valley	118,775	2.72	PT	ON	35.9	
	Golden Rod	15,090	0.35	PT	ON	12.4	
	Oakwood						
	<b>Total</b>	<b>1,081,554</b>					

Cedar Glen Meter

494,464 CF

11.4 AF

District Production

378,955 CF

8.7 AF

Total Supplies to System

873,419 CF

20.1 AF

Days of Production

28

Minutes of Production

40,320

Average System GPM

162

# Idyllwild Water District

## Well Statics

NOVEMBER 2022

No.	Initial	Level in Feet	Pumping Level (PL) / Static Level (SL)	Comments
3	ALL MC	36'	SL	
7		40'	SL	
14		42'	SL	Foster Lake Average = 39'
23		9'	SL	
24		18'	SL	
26		46'	SL	
27		44'	SL	
28		126'	SL	
FV1A		434'	PL	
FV2		316'	SL	



# IDYLLWILD WATER DISTRICT

## Memo

**To:** Board of Directors  
**From:** Leo Havener, General Manager  
**Date:** December 14, 2022  
**Subject:** Item 1D – Authorize Remote Meetings pursuant to AB 361

---

### **Recommendation:**

Board of Directors authorize remote meetings pursuant to AB 361 for 30 days based on the findings that (1) there is an existing declared state of emergency for COVID-19, and (2) state and local are imposing and recommending measures to promote social distancing.

### **Background:**

At the October 20, 2021, Board meeting, based upon the state of emergency for COVID-19, the Board of Directors adopted Resolution No. 783, which authorized remote Board and committee meetings pursuant to AB 361. The Board found that (1) state and local officials have imposed or recommended measures to promote social distancing in connection with COVID-19; and (2) due to the COVID-19 emergency, meeting in person would present imminent risks to the health and safety of attendees. Under AB 361, certain Brown Act requirements related to remote meetings are suspended. The Board subsequently extended remote meetings at its November through September Board meetings.

Given the continued state of emergency for COVID-19 and the state and local requirements of social distancing, staff is recommending that the Board authorize remote meetings pursuant to AB 361 for 30 days, consistent with previous action taken by the Board. This is being recommended to preserve the health and safety of Directors, staff, and the public.

### **Conclusion:**

Staff recommends that the Board authorize the District to conduct remote Board meetings pursuant to AB 361 based on the following findings: (1) There is an existing declared state of emergency for COVID-19, and (2) State and local officials are recommending measures to

promote social distancing.

If the Board does not authorize remote meeting pursuant to AB 361, the next Board meeting will be held pursuant to all of the provisions of the Brown Act, including those related to posting the location of remote attendees and ensuring public access to such remote locations.



# IDYLLWILD WATER DISTRICT

## Memo

**To:** Board of Directors  
**From:** Leo Havener, General Manager  
**Date:** December 14 , 2022  
**Subject:** Item 3 – PENSION PRESENTATION PROPASAL FROM PPCS

---

### Recommendation:

Board of Directors will discuss the presentation for pension plan proposed from PCS (Plan 401A & Plan 457b).

### Attachments:

- PCS Presentation



# Retirement Plan Proposal

Idyllwild Water Dist 401A



**Presented By:**

Logan Sadler  
Ruggieri Financial & Insurance Services Inc.  
1600 E. Florida Ave Suite 217  
Hemet, CA 92544  
855-340-2514  
logans@bdfinancialgroup.com





# What's in this Proposal?

■ Fiduciary Responsibility	3
■ Investment Offerings	6
■ About PCS	7
■ Recordkeeping Services	10
■ Administration Services	15
■ Your Estimated Summary of Costs and Schedule of Costs	18
■ What Happens Next	20



## Seven Simple Truths Every Plan Sponsor Should Know -

- 1** Yes, it's true. You are a fiduciary.
- 2** You must understand all of your Plan's fees.
- 3** You need to ask the right questions of your current provider and benchmark your plan.
- 4** You should maintain your Investment Policy Statement.
- 5** You should form an Investment Committee and meet regularly.
- 6** You are required to monitor your plan.
- 7** You can delegate your fiduciary responsibilities.

## How we help you with fiduciary support -

### **1** Annual Plan Benchmarking

Using our proprietary tools, we provide an Annual Retirement Plan Review that benchmarks your plan investments, fees, and utilization against other plans of similar size in your industry.

### **2** Fair and Transparent Pricing

Unlike many bundled products, our independent platform makes it easy to know who you are paying and for what services.

### **3** Effective Plan Sponsor and Participant Education

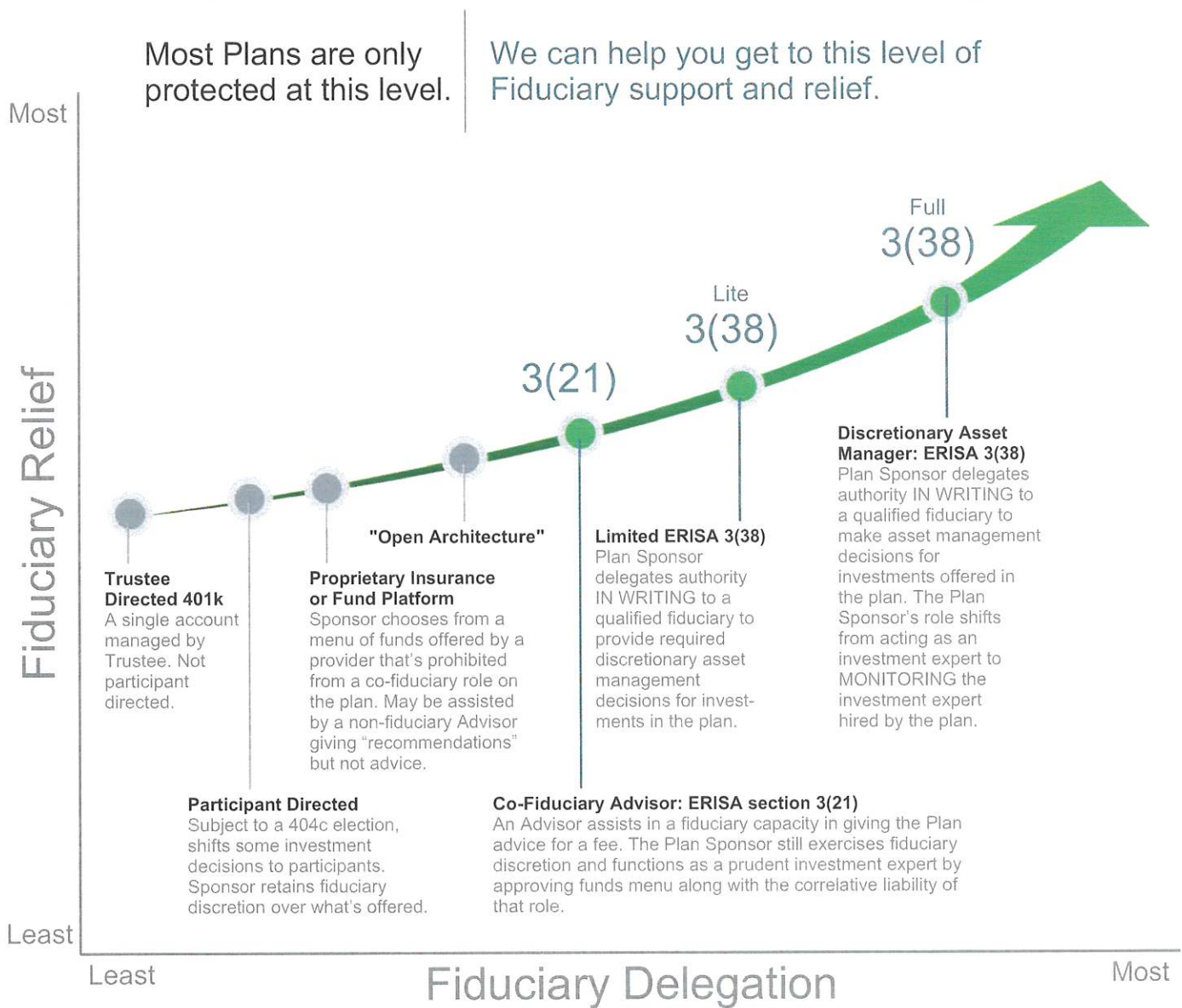
Online enrollment and easily accessible participant education tools are just a few of the aspects that make our pre-to-post enrollment process engaging and effective.

# Fiduciary Responsibility

Our retirement plan is designed to help you with your fiduciary responsibilities.

There is no question that considerable liability is placed on plan fiduciaries. In fact, ERISA Section 409(a) imposes personal liability on fiduciaries that breach their duties. That's why our program offers an independent investment manager under ERISA 3(38) that specifically accepts its fiduciary status and discretion in writing. Through delegation, we help Plan Sponsors like you lighten your fiduciary burden.

## Plan Sponsors' Fiduciary Relief through Delegation



# Fiduciary Responsibility

## Outsource Your Fiduciary Responsibility under the 3(38) Safe Harbor

ERISA provides a "safe harbor," which limits a Plan Sponsor's fiduciary liability where a qualified "investment manager" is appointed. A full delegation under ERISA Section 3(38) represents the highest level of investment liability transfer possible under ERISA. With this delegation, you, will not be under any obligation to invest or manage any assets of the plan that the investment manager is responsible for investing.

Millennium Investments acts as an independent investment manager under ERISA 3(38) and specifically accepts its fiduciary status and discretion in writing.



## All 3(38) Investment Managers Are Not Created Equal

### No Funds to Push and No Hidden Agenda

Don't be misled by investment managers that are limited to a preselected menu of funds being promoted by a recordkeeper or those that don't charge an additional fee as long as the plan invests a portion of their assets in their own managed accounts. The greatest value in retaining a 3(38) investment manager lies in having a truly independent firm sit on your side of the table and make the decisions that a well-informed plan sponsor would.

A true fiduciary platform should be independent and conflict free.

Enjoy unfettered access to over 15,000 mutual funds and ETFs.



### An Important Question:

## Does your Plan have an Investment Policy Statement (IPS)?

An investment policy statement (IPS) has four basic purposes: setting realistic objectives, defining the asset allocation policy, establishing management procedures and determining communication procedures. According to studies<sup>1</sup>, nearly one half of all defined contribution plans don't have an IPS. Without an IPS, it can be far more challenging for Plan Sponsors to ensure procedural prudence for the selection and monitoring of investments.

We provide the committee and Plan with a detailed IPS, setting the selection process of the investments.

1. Conducted by PSCA, Hewitt Associates and Barra Rogers Casey

# Investment Offerings



## Three things you should know about your proposed investments -

### 1 No Proprietary Funds.

We pride ourselves on offering a truly independent platform with no hidden agenda or funds to push.

### 2 No Fund Restrictions.

There is no "pay-to-play." Unlike many bundled providers that limit fund selection to those that meet the provider's fee sharing requirements, there are no restrictions on the available funds.

### 3 All Mutual Fund Revenue is Offset.

While some retirement plans include high fees that can detract from the Plan's performance, PCS is committed to fair pricing and full fee disclosure. A hallmark of our platform is the offset of all mutual fund revenue (including both 12b-1 fees and sub-transfer agency fees) against investment management, recordkeeping, trustee and custodial expenses.



## Proposed Investments

### Proposed Asset Classes

<b>US Stock</b>		<b>52.83%</b>	<b>Bonds</b>		<b>16.68%</b>
<b>Large: 22.40%</b>	Large Growth:	10.8%	<b>Cash</b>		<b>6.68%</b>
	Large Core:	7.9%	<b>Other</b>		<b>0.04%</b>
	Large Value:	3.7%			
<b>Mid: 19.71%</b>	Mid Growth:	5.8%			
	Mid Core:	9.3%			
	Mid Value:	4.6%			
<b>Small: 10.68%</b>	Small Growth:	2.6%			
	Small Core:	4.8%			
	Small Value:	3.2%			
<b>Non-US Stock</b>		<b>23.37%</b>			

Available Investment Options

22

Unique Equity Underlying Holdings

10,921

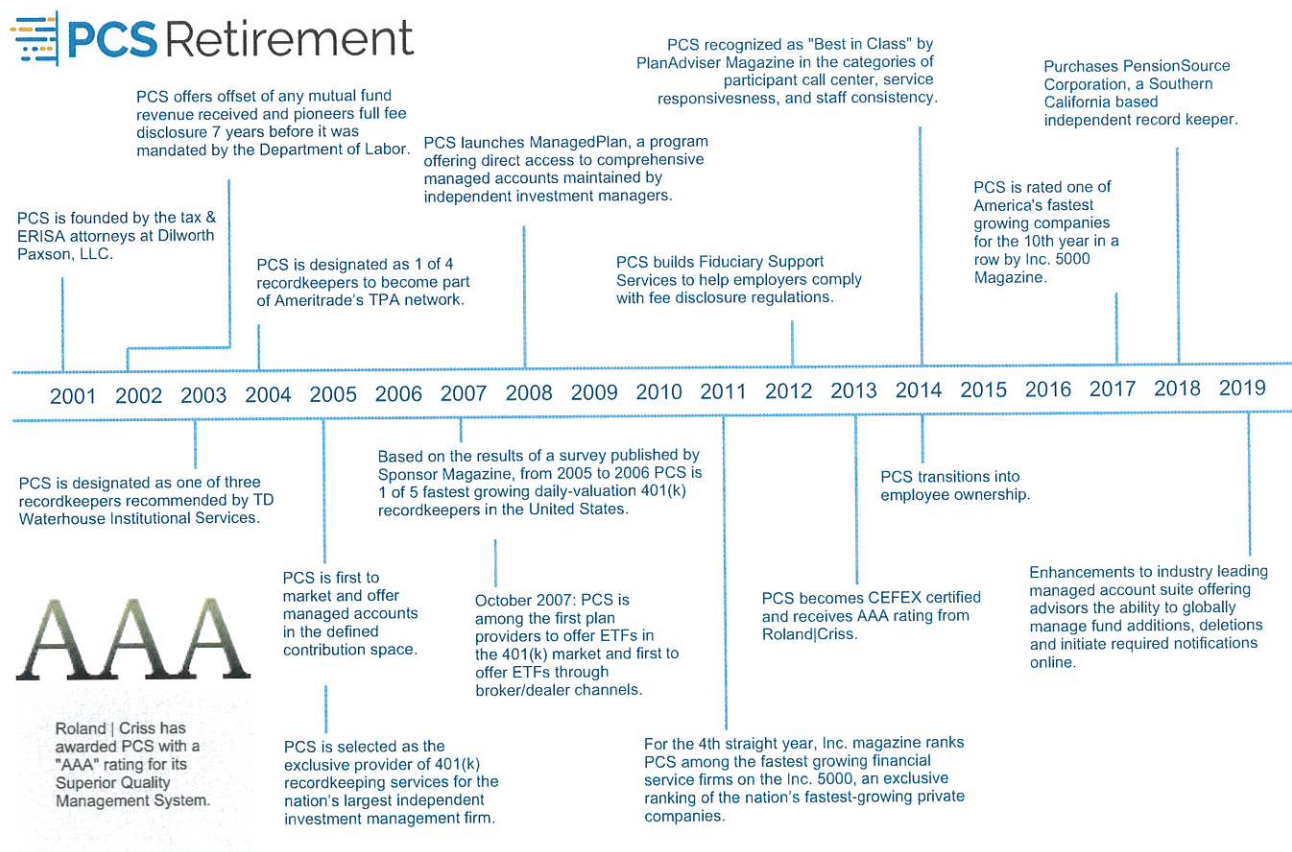
# About

PCS, the recordkeeper and provider of administration services, was founded by tax and ERISA attorneys to provide sophisticated retirement programs for the corporate, professional and government markets. PCS specializes in creating customized 401(k) plans, both ERISA and non-ERISA 403(b) plans, 457(b) and (f) plans, profit sharing arrangements and executive-level nonqualified deferred compensation programs.

## Our Mission

- Deliver excellent customer service, always
- Serve fiduciary advisors by providing transparent, conflict-free retirement solutions with no hidden fees
- Fully disclose all fees and offset all mutual fund reimbursements
- Offer an open menu of investments
- Offer a complete and sophisticated retirement solution

## Our History



# Easy to Understand Fees & Flexible Payment Options



Choosing a plan is a long-term decision. Be sure to understand the impact of fees over time.

PCS fees are easy to understand, have no hidden surprises and don't penalize you in any way when your plan assets grow. **In fact, the costs as a percentage of your plan assets go down as your plan grows.** Best of all, you have several options when it comes to how plan fees are paid, giving you unmatched flexibility.

## Lower Fees Can Lead to Better Outcomes

Many traditional recordkeepers bundle their costs into a single asset-based fee. While this may appear to be an easier way of doing things, bundled asset-based fees include costs that hinder plan performance over time. By way of cost comparison, here are two plans over a ten-year period with the same number of participants, assets and the same plan asset growth rate.

Plan Assets Year 1

**\$2M**

Plan Assets Year 10

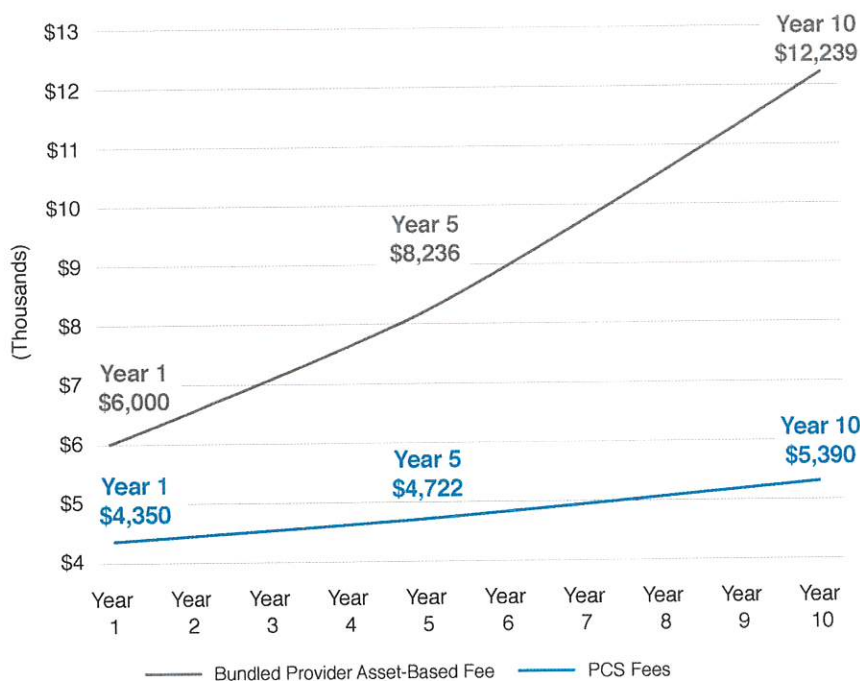
**\$4.4M**

# of Participants

**25**

Plan Asset Growth Rate

**8% Per Year**



**By year 10, PCS fees will be over 55% less than a traditional recordkeeper charging a bundled asset-based fee.**

**Disclosures:**

Example assumes that a traditional recordkeeper is charging a bundled Asset-Based 0.30% fee annually, while PCS fees are broken down as follows (i) Base Fee of \$1,550 annually, Participant Per-Head Fee of \$6 monthly and an Asset-Based Fee of 0.05% annually. Growth rate is assumed at 8% compounded four times annually for ten years.

# Easy to Understand Fees & Flexible Payment Options



## Key Takeaways from Illustration

- Over ten years, bundled asset-based pricing of traditional recordkeepers costs nearly 100% more.
- While the fee difference was smaller in year 1 at 27% in favor of PCS, that difference grows to 43% by year 5 and 56% by year 10.
- As a percentage of plan assets over time, PCS fees are reduced by more than 40%, from 0.22% to 0.12%.

### Fee Flexibility, How You Pay Matters

Plan expenses don't need to be deducted from the plan itself. In fact, paying expenses using company assets can be a win for your company and participants.

For you, you'll get an immediate tax deduction along with reduced fiduciary liability (since fees aren't charged to the plan). Your participants will benefit from lower overall costs and potentially higher account balances over time.

For example, you could choose to pay the Base Fee (\$1,550) and the Participant Per-Head Fee (\$1,800 annually for 25 participant) using corporate assets. This could lead to an additional tax deduction and plan savings of \$33,500 over ten years.







# Sophisticated Recordkeeping. Excellent Customer Service. No Hidden Agenda.

PCS combines state-of-the-art technology with an experienced and dedicated team of retirement plan professionals to deliver the most complete and highest quality retirement plan available. Regardless of the type or size of the Plan, we can build and install a retirement plan customized to meet your specific needs at or below the cost of a standardized brokerage or insurance company product.

Standard features include:

### State-of-the-Art Daily Valuation Recordkeeping Services

- Daily valuation and maintenance of participant level accounts
- Online distributions and paperless loan capabilities
- Daily processing and reconciliation of account activity
- Calculation of minimum required distributions
- Real-time vesting service computation

### Client Services

- Quality Driven, Hands-On Support
- Tactical and Strategic Support
- Dedicated Installation Specialists
- Single Point of Contact
- Plan Sponsor Website

Welcome to the  
Next Generation Retirement Program.™

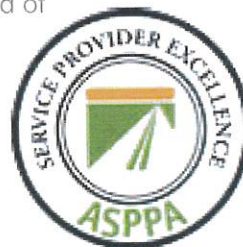
### Among Fastest Growing Financial Service Firms

A testament to our value, PCS has been recognized by Inc. 5000, an exclusive ranking of the nation's private companies, as one of the fastest-growing financial service firms in the nation.



### Time Tested and Certified for Excellence.

CEFEX and Roland/Criss have certified us as adhering to ASPPA's high Standard of Practice for Retirement Plan Service Providers.



# Recordkeeping Services



PCS gives you everything you need to make your Plan a success.



## Excellent Customer Service

- Single point of contact (Client Relationship Manager)
- Dedicated installation specialists
- Quality driven, hands-on support



## State-of-the-Art Technology

- Daily valuation and maintenance of participant level accounts
- Daily processing and reconciliation of account activity
- Calculation of minimum required distributions
- Real-time vesting service computation



## Streamlined Payroll Process

- Our PaySnap system integrates with the leading payroll providers
- Automatic validation of census and payroll data for accuracy
- Easily enroll new participants at the plan sponsor and participant levels



## Comprehensive Workflow

- System integration from the point of installation
- eNotifications and automatic reminders designed to reduce administrative burden
- Online distribution of loan processing and approval



## Effective Participant Education

- Simplified and streamlined paperless enrollment process
- Online enrollment, Participant Education Series, and dynamic risk tolerance questionnaire
- Online investor education calculators, RetireOnTime™ gap analysis tool, and resources
- Multilingual representatives and 24/7 participant call center

## SSAE 18 Compliant

SSAE 18 effectively replaces SSAE 16 as the authoritative guidance for reporting on service organizations. SSAE 18 was formally issued in April 2016 with an effective date of May 1, 2017. Additional information on SSAE 18 and Service Organization Control reports can be viewed at the AICPA's web page, <http://www.aicpa.org/soc>.



# Recordkeeping Services

## Keep your plan on track and reduce your workload.

What good is sophisticated technology if it doesn't save you time and money? Our websites are designed to be both straightforward and easy to use.

### Plan Sponsor Website

- Plan-level investment reporting of account balances by investment and by source
- Payroll processing and online enrollment
- Access to view participant-level investment detail and transaction history
- Plan-level transaction history by date range, by fund and by transaction type
- Online and on-demand availability of plan-level reports

### Participant Website

- Streamlined online enrollment
- Rollover Contribution Wizard for consolidating qualified retirement accounts
- Online loan modeling and paperless loan processing
- Online distributions
- Balance inquiry, trading by fund or by all sources, daily performance reporting
- Easy export capabilities via Microsoft Excel, Adobe PDF, or Microsoft Word

## Easy integration with today's leading personal finance software.

Quickly and easily integrate with Quicken, Mint.com, and other online personal finance tools so your participants can easily aggregate their account activity with transactions from other financial institutions.



Mint and Quicken are registered trademarks of Intuit, Inc., eMoney Advisor is a registered trademark of eMoney Advisor, Inc. The Living Balance Sheet® is a registered trademark of the Guardian Life Insurance Company of America, New York, NY.

# Enrollment Support & Fiduciary Notification

PCS offers you complete enrollment support and delivers the fiduciary notifications to assist you in complying with disclosure requirements.

## Enhanced Disclosure Services and Reports:



### Plan Fiduciary All-In-One Fee Report

A consolidated report designed to assist you in meeting your fiduciary responsibility. The report details all of the services provided and the compensation paid from the Plan's trust in one easy to read document.



### Evergreen Enrollment Guide

Our "Evergreen" Enrollment Guide is an extensive, "how-to" reference for plan enrollment, the benefits of participating, detailed information on available investment options and ERISA-required participant notifications, such as the Annual Participant Notice and QDIA notice (as applicable).



### The Enrollment Overview (Condensed Version)

A "short form" version of the Enrollment Guide, conveniently designed to be both print and email friendly. Foregoing individual investment fact sheets and minimizing graphics helps reduce the overall file size for email purposes.

### Annual Plan Review and Benchmarking Report

Our Annual Plan Review report is a comprehensive report that offers a 360° view of a retirement plan - allowing you to easily understand its performance, compare it against similar plans, and identify opportunities for growth and improvement. It's a powerful tool to support your fiduciary responsibilities.

## Preparation of Required IRS and DOL Participant Notices

- Initial and annual participant disclosure (complies with the ERISA Section 404(a)(5) disclosure requirements)
- Qualified Default Investment Alternative (QDIA) Notice
- Required Minimum Distribution (RMD) Notice
- Corrective distribution notices (including refunds for ADP testing failures, 402(g) excess contributions, 457 (e) excess contributions and 415 excess contributions)

## Eligibility Alert System

PCS's Eligibility Alert System is an automated tracking system that monitors your Plan's participation requirements, alerts you of pending enrollments and provides required fiduciary notifications to newly eligible employees. PCS also assists your employees with enrolling in the Plan. Simply send us basic census information about all new employees and we'll do the rest!

# Financial Wellness



PCS provides interactive tools designed to help convey the features of your plan and help participants focus on retirement readiness.



## Wealth Studio

Wealth Studio is a modern and mobile-optimized financial wellness offering that equips participants with the critical knowledge and skills needed to make great financial decisions. Organized in curated, age-based playlists are short, informative videos that will help users rock their personal finances! Wealth Studio is fully integrated with the participant experience and provides detailed metrics on the success of each participant interaction, addresses different learning styles and preferred communication methods, and allows participants flexibility in their experience by the way they engage and interact.



## RetireOnTime™ Retirement Readiness Tool

RetireOnTime™ is integrated with the recordkeeping platform and also allows employees to add information about retirement assets outside your plan, resulting in a complete assessment of a participant's chances of reaching retirement goals. RetireOnTime™ will then provide participants a report of their results and recommendations, which may include adjusting levels of contribution to improve their retirement projections.



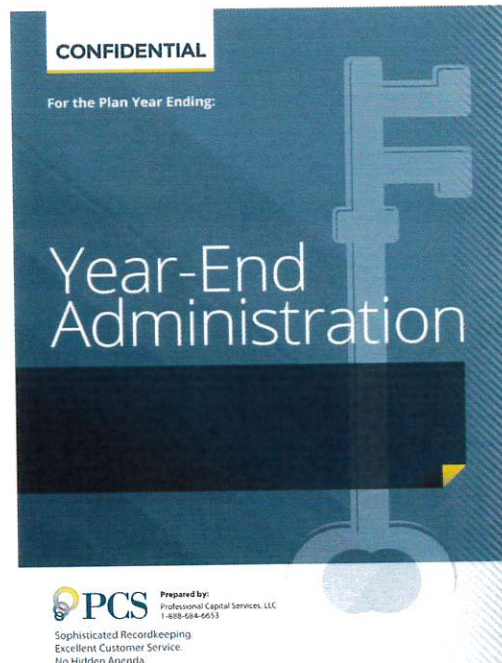


## Focused on Expert Compliance.

Appropriate plan design is critical to the effective implementation and ongoing operation of a retirement plan. Without proper plan design and the strong foundation provided by qualified plan consultants, a plan could easily become a liability to a company rather than a benefit to its employees. Our expert pension consultants and on-staff ERISA attorneys examine your company's attributes and objectives to establish an attractive plan design that meets the unique needs of your company.

### Our Sophisticated Compliance Services Include (as applicable):

- Compliance Testing - ADP/ACP, Maximum Deferral Test, Maximum Annual Addition Test
- In-house ERISA Consulting Department with On-staff ERISA Attorneys
- Top-Heavy Test, Minimum Coverage Test
- Signature-Ready Form 5500 (Annual Reports)
- Preparation of Summary Annual Reports
- IRS Tax Reporting (Form 1099R)
- Plan Level Trust Accounting
- QDRO Qualifications and Approvals
- Age 70 1/2 Determinations
- Auto-Rollover Wizard



# Premier Services Comparison

Check for yourself, and you'll find that our program gives you all the tools necessary to make managing your plan easy.

A TRULY INDEPENDENT PLATFORM	OUR RETIREMENT PROGRAM	OPTION 2	OPTION 3
Availability of over 15,000 investment options from hundreds of fund families	✓		
No proprietary fund or revenue sharing requirements	✓		
No investment or share class restrictions	✓		
Dollar-for-dollar offset of mutual fund revenue	✓		
Availability of ETFs	✓		
Availability of integrated self-directed brokerage	✓		
Model portfolio recordkeeping for no additional cost	✓		

## FIDUCIARY SERVICES AND SUPPORT

Independent Investment Management (ERISA 3(38) Services)/ Independent Investment Advisor 3(21)	✓		
Annual Plan Review and Fee Benchmarking Report	✓		
Annual Participant Disclosure (preparation and delivery) (ERISA 404(a)(5) compliant)	✓		
Annual SSAE 16 Type II report	✓		
Certified by the Center for Fiduciary Excellence (GEFEX)	✓		
Annual auditor package and support	✓		
Annual plan year-end summary package	✓		
Directed trustee services	✓		
Annual Plan Fiduciary All-In-One Fee Report (ERISA 408(b)(2) compliant)	✓		
Preparation and delivery of all required notices including participant fee disclosure, QDIA, and RMD	✓		
Flexible QDIA support - default investment can be a managed portfolio, age-based managed portfolios, target date funds or an individual balanced investment	✓		
ERISA 3(16) Administrative Fiduciary Services (additional fees apply)	✓		
Form 1099-R reporting	✓		
Investment Policy Statement and support	✓		
Evergreen Enrollment Materials (including dynamically updating of required fiduciary notifications)	✓		

## PLAN SPONSOR SERVICES AND TOOLS

Single point of contact relationship manager	✓		
Automated services including auto enrollment, annual increase program	✓		
Eligibility Alert System to help track and notify of employee enrollment dates	✓		
Comprehensive plan sponsor web site for plan administration -- on-line approvals	✓		
PaySnap tool for direct 360 integration with third-party payroll providers	✓		
Expedited hardship withdrawal process including free overnight delivery and confirmation of receipt	✓		
Flexible plan document including numerous vesting, matching, and profit-sharing options	✓		
Employee education and enrollment services.	✓		
Paperless loan processing	✓		
Paperless withdrawals including online approval process	✓		
Quarterly plan reporting	✓		

# Premier Services Comparison (Continued)

PARTICIPANT SERVICES & TOOLS	OUR RETIREMENT PROGRAM	OPTION 2	OPTION 3
Robust multilingual transactional participant web site	✓		
Welcome communication via email to all employees who are eligible for the plan	✓		
Communications tailored from enrollment through retirement	✓		
"Evergreen" Enrollment Guide including required fiduciary notifications	✓		
Exchange, rebalance, and adjust future contribution elections over phone or online	✓		
RetireOnTime™ gap analysis tool translates savings into monthly income	✓		
Auto-enrollment and educational tools.	✓		
On-site and web-based enrollment support	✓		
Integration with personal financial software such as Quicken and Mint.com	✓		
Multilingual phone representatives supporting a 24/7 participant call line	✓		
Summary plan description including plan features	✓		
On-line prospectus fulfillment/transaction confirmations	✓		
Rollover wizard for streamlined rollovers	✓		
Auto-contribution acceleration and ability to schedule rebalances	✓		
Roth calculator	✓		
Payroll savings calculator	✓		

## COMPLIANCE AND REPORTING SERVICES

Annual and preliminary ADP/ACP testing	✓		
Plan design consultation and ongoing support	✓		
Elective deferral monitoring (under IRC 402[g] for calendar year-end plans)	✓		
IRC Section 415(c)(1) limitation monitoring	✓		
Top-heavy testing (under IRC Section 416)	✓		
Minimum coverage testing	✓		
Form 5500 preparation and submission of signed for to Department of Labor (DOL)	✓		
Summary annual report	✓		
Testing and tax reporting specialists	✓		
Web-based Year-end Questionnaire	✓		
Online census verification process	✓		
Online review and approval of corrective distributions and RMDs	✓		
One click automatic rollover	✓		

## TRANSITION SERVICES

Customized project plan including timeline	✓		
Conversion survey to monitor effectiveness	✓		
Direct integration with top payroll companies or online contribution processing	✓		
Dedicated implementation manager	✓		
Plan document services including detailed plan design call	✓		
Preparation of blackout notice, transition guide, plan is live email, and summary plan description	✓		



# Your Estimated Summary of Costs

## Plan Specifications

<b>Total Plan Assets</b>	<b>\$92,557</b>
Plan Assets on Recordkeeping Platform	\$92,557
Participants with a Balance	7
Average Participant Balance	\$13,222

## Estimated Costs

### Setup and Implementation (One-Time)

Installation	\$350
Plan Design Consultation & Document Preparation	\$850
<b>Total Setup:</b>	<b>\$1,200</b>

### Annual Investment Related Expenses

Investment Manager (Millennium Investments)	0.05 %	\$46
Financial Advisor (Logan Sadler )	0.50 %	\$463
Average Investment Expense	0.20 %	\$186 *
<b>Total Annual Investment Related:</b>		<b>\$695</b>

### Annual Recordkeeping, Administration and Custodial Services

Third Party Administration (PCS)	\$0
Recordkeeping (PCS)	\$2,064
Custodial (AdvisorTrust/Matrix 401(a) Govt Custody - Standard )	\$139 *
<b>Total Annual RK, Admin &amp; Custodial:</b>	<b>\$2,203</b>

**Total Annual Recurring Costs (Estimated):** **\$2,898 <sup>1</sup>**

<sup>1</sup>All costs are good faith estimates of service provider costs taking into account prevailing market rates and are intended to comply with the Department of Labor regulations under ERISA Section 408(b)(2). ("408(b)(2) Regulations").

\*This result will change according to the Schedule of Costs as Plan Assets are added.

# Schedule of Costs

## Setup and Implementation (One-Time)

Installation	\$350
Plan Design Consultation & Document Preparation	\$850

## Advisory Services

Investment Manager (Millennium Investments)	0.05 %
Financial Advisor (Logan Sadler )	0.50 %

## Annual Administration

Third Party Administration (PCS)	\$0
----------------------------------	-----

## Recordkeeping Services

Premier Recordkeeping and Fiduciary Services	\$1,560
Participant with an Account Balance (Annually)	\$72

## Annual Custodial and Trust Services

Asset Based (AdvisorTrust/Matrix 401(a) Govt Custody - Standard )	0.15 %
---	--------

## Managed Accounts

0.25 %

Agreed and Accepted By:

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

\_\_\_\_\_

Name

# What happens next?



With PCS, transitioning your plan is easy.

Below is our standard plan conversion timeline. Most plans take approximately 60 days to convert once the original signed plan documentation is received. While some plans may take less time, and others more, we work persistently to ensure that every plan is moved swiftly and securely.

## Week 1 LAUNCH

- Receipt of sign-up paperwork in good order
- Welcome call with Plan Sponsor and Advisor

## Week 2 BLUEPRINT

- Call to discuss plan design, timeline, specifications, and requirements

## Week 3 EDUCATE

- Enrollment meetings held

## Week 4 TRAIN

- Payroll training held with first payroll and ACH submission completed
- Signed documents returned to PCS
- Introduction to Plan Sponsor website
- Overview of transactional processing – loans, distributions, etc.

## Week 5 PROCESS

- Initial payroll is uploaded

## Week 6 CONFIRM

- 15 step quality control process and review

## Week 7 LIVE

- Plan goes live and participants are notified
- Seamless transition to Client Relationship Manager

# Proposed Investments

Below is a listing of the individual funds proposed for your plan:

As of 6/30/2022

Name	Symbol	Fees				Performance		
		Mgmt	12b-1	SubTA	Total	1 yr	3 yr	5 yr
<b>Diversified Emerging Mkts</b>								
DFA Emerging Markets I	DFEMX	0.36 %	0.00 %	0.00 %	0.36 %	-20.36 %	1.97 %	2.65 %
<b>Foreign Large Blend</b>								
Vanguard Developed Markets Index Admiral	VTMGX	0.07 %	0.00 %	0.00 %	0.07 %	-18.15 %	2.10 %	2.68 %
<b>Foreign Large Growth</b>								
Vanguard International Growth Adm	VWILX	0.32 %	0.00 %	0.00 %	0.32 %	-36.18 %	6.33 %	7.51 %
<b>Foreign Large Value</b>								
Vanguard International Value Inv	VTRIX	0.36 %	0.00 %	0.00 %	0.36 %	-17.40 %	2.06 %	2.66 %
<b>Foreign Small/Mid Blend</b>								
DFA International Small Company I	DFISX	0.39 %	0.00 %	0.00 %	0.39 %	-19.77 %	2.80 %	1.93 %
<b>Global Large-Stock Growth</b>								
American Funds New Perspective R6	RNPGX	0.41 %	0.00 %	0.00 %	0.41 %	-22.19 %	8.14 %	9.43 %
<b>High Yield Bond</b>								
Vanguard High-Yield Corporate Adm	VWEAX	0.13 %	0.00 %	0.00 %	0.13 %	-11.22 %	0.00 %	1.95 %
<b>Inflation-Protected Bond</b>								
DFA Inflation-Protected Securities I	DIPSX	0.11 %	0.00 %	0.00 %	0.11 %	-5.70 %	2.74 %	3.14 %
<b>Intermediate Core-Plus Bond</b>								
Russell Inv Strategic Bond R6	RSBRX	0.48 %	0.00 %	0.00 %	0.48 %	-11.75 %	-0.82 %	0.87 %
<b>Large Blend</b>								
Fidelity® 500 Index	FXAIX	0.02 %	0.00 %	0.00 %	0.02 %	-10.63 %	10.59 %	11.29 %
<b>Large Growth</b>								
TIAA-CREF Large-Cap Gr Idx Instl	TILIX	0.05 %	0.00 %	0.00 %	0.05 %	-18.84 %	12.51 %	14.22 %
Fidelity® Large Cap Growth Idx	FSPGX	0.04 %	0.00 %	0.00 %	0.04 %	-18.80 %	12.54 %	14.23 %
<b>Large Value</b>								
Vanguard Value Index Adm	VVIAX	0.05 %	0.00 %	0.00 %	0.05 %	-1.90 %	8.67 %	9.22 %
<b>Mid-Cap Blend</b>								
Fidelity® Mid Cap Index	FSMDX	0.03 %	0.00 %	0.00 %	0.03 %	-17.31 %	6.57 %	7.95 %
<b>Mid-Cap Growth</b>								
Vanguard Mid-Cap Growth Index Admiral	VMGMX	0.07 %	0.00 %	0.00 %	0.07 %	-25.42 %	6.14 %	9.04 %
<b>Mid-Cap Value</b>								
Vanguard Mid-Cap Value Index Admiral	VMVAX	0.07 %	0.00 %	0.00 %	0.07 %	-6.05 %	7.53 %	7.10 %
<b>Real Estate</b>								
DFA Real Estate Securities I	DFREX	0.18 %	0.00 %	0.00 %	0.18 %	-5.86 %	5.40 %	6.89 %
<b>Short-Term Bond</b>								
Russell Inv Short Duration Bond R6	RDBRX	0.50 %	0.00 %	0.00 %	0.50 %	-5.65 %	0.13 %	1.09 %
<b>Small Blend</b>								
Fidelity® Small Cap Index	FSSNX	0.03 %	0.00 %	0.00 %	0.03 %	-25.20 %	4.26 %	5.25 %
<b>Small Growth</b>								
Vanguard Small Cap Growth Index Admiral	VSGAX	0.07 %	0.00 %	0.00 %	0.07 %	-31.76 %	2.34 %	6.80 %
<b>Small Value</b>								
Vanguard Small Cap Value Index Admiral	VSIAX	0.07 %	0.00 %	0.00 %	0.07 %	-12.07 %	6.76 %	6.15 %
<b>Stable Value</b>								
Standard Stability Fund I	MG3610	0.60 %	0.00 %	0.00 %	0.60 %	0.13 %	0.33 %	0.59 %

\* All mutual fund distribution fees are offset dollar for dollar against investment manager, recordkeeping, trustee and custodial expenses

# SmartPlan: Personalized Retirement Planning

SmartPlan Managed Accounts offers plan sponsors a cost-effective way to provide personalization for plan participants, all in service of better outcomes. The key to retiring successfully is having a plan, and with SmartPlan participants get one that's tailored to where they are in their retirement-readiness journey.

SmartPlan guides participants on:

- ✓ A diversified portfolio
- ✓ Retirement spending
- ✓ When to retire
- ✓ How much to save

## The SmartPlan solution includes:



### Personalized investment portfolio

This updates automatically as the markets and the participant's life circumstances change.



### Social Security estimates & tax-aware withdrawal strategy

Customize the strategy further with 30+ data points including outside assets.



### Digital & advisor-led investment services

The solution meets people where they're at in their financial journey, on their terms.

## Target Date Funds vs. SmartPlan Managed Accounts

Unlike traditional target date funds that focus only on age, SmartPlan provides holistic personalization.

	TDFs	SmartPlan Managed Accounts
Reasonable cost	✓	✓
No participant input required	✓	✓
Portfolio personalization beyond age		✓
Personalized asset allocation		✓
Personalized engagement		✓
Personalized advice		✓
Account aggregation		✓

Contact us today to learn more!

(704) 743-3226

nextcapital.com | miracenter.com

# Benefits for Plan Sponsors

## A plan for all.

Our platform provides a personalized retirement plan, based on data provided by the recordkeeper such as age, home state, savings rate, employer match schedule and account balance. Participants also have the option to input their outside assets and 25 additional data points to personalize further.

## Adaptive engagement.

We believe personalized engagement is key to driving positive behavior and improved outcomes. That's why interaction with the platform is enhanced by in-application messages that make smart use of participant data and emails that help investors identify savings and personalization opportunities and take action in the moment.

## Cost-effective personalization.

We're one of the lowest-cost providers of managed accounts, and our solution is priced even more competitively when used as the QDIA. Additionally, when comparing fees, it's important to consider the value a managed account offers. We estimate the value-add of our managed account solution to be 0.95% (95 bps) per year, excluding the value of contribution and retirement age recommendations.<sup>4</sup>

**Approximately 30%** of U.S. adults say they're worried about their ability to save for retirement.<sup>1</sup>

**#1 concern** among 1,500 plan sponsors was whether their plan is effectively preparing employees for retirement financially.<sup>2</sup>

**68% of target-date fund investors** incorrectly think the funds are FDIC-insured, pointing to widespread misunderstanding of that solution.<sup>3</sup>

**Get started today!**

**(704) 743-3226 | [miracenter.com](http://miracenter.com)**

## NextCapital Group

NextCapital is an enterprise digital advice company based in Chicago. With a passion for innovation and decades of industry experience, the NextCapital team has brought disruptive financial solutions to market in an effort to help everyone retire successfully. The company partners with leading financial institutions to deliver configurable solutions tailored to the needs of investors and goals of partners. NextCapital works with partners to personalize planning and managed accounts, customize methodology and fiduciary roles, and in some instances serve as the 3(38) investment manager for discretionary, plan participant advice.

## Millennium Investment & Retirement Advisors

Millennium Investment & Retirement Advisors is a fee-only consulting firm that is committed to providing unbiased advice and prudent strategies for managing ERISA plans. The company also offers ERISA risk management, 408(b)(2) fee analysis, investment management, and a single data repository at your office for collecting plan expense data for all plan types. This allows sponsors, CCOs, and financial advisors to identify plans that are out of compliance. Users can organize data so it is easily evaluated, reported, and validated by top legal professionals.

## PCS Retirement

PCS Retirement (PCS) is one of the nation's largest independent and conflict-free retirement solution providers. PCS provides recordkeeping services to 18,000 plans and 750,000 eligible participants representing more than \$26 billion in assets under administration. With data-driven recordkeeping technology, PCS supports all types of retirement plans, individual retirement accounts, and health savings accounts. PCS is certified for recordkeeping service provider excellence.

[nextcapital.com](http://nextcapital.com) | [miracenter.com](http://miracenter.com) | [PCSRetirement.com](http://PCSRetirement.com)

<sup>1</sup> [Pew Research Center, 2021](#)

<sup>2</sup> [Fidelity Investments, 2020](#)

<sup>3</sup> [AllianceBernstein, 2021](#)

<sup>4</sup> [NextCapital, 2020](#)

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Opinions offered constitute NextCapital's judgment, in coordination with NextCapital's institutional partners, and are subject to change without notice.



# Retirement Plan Proposal

The Idyllwild Water Dist 457B  
Plan



## Presented By:

Logan Sadler  
Ruggieri Financial & Insurance Services Inc.  
1600 E. Florida Ave Suite 217  
Hemet, CA 92544  
855-340-2514  
logans@bdfinancialgroup.com



# What's in this Proposal?

■ Fiduciary Responsibility	3
■ Investment Offerings	6
■ About PCS	7
■ Recordkeeping Services	10
■ Administration Services	15
■ Your Estimated Summary of Costs and Schedule of Costs	18
■ What Happens Next	20







## Seven Simple Truths Every Plan Sponsor Should Know -

- 1 Yes, it's true. You are a fiduciary.
- 2 You must understand all of your Plan's fees.
- 3 You need to ask the right questions of your current provider and benchmark your plan.
- 4 You should maintain your Investment Policy Statement.
- 5 You should form an Investment Committee and meet regularly.
- 6 You are required to monitor your plan.
- 7 You can delegate your fiduciary responsibilities.

## How we help you with fiduciary support -

### 1 Annual Plan Benchmarking

Using our proprietary tools, we provide an Annual Retirement Plan Review that benchmarks your plan investments, fees, and utilization against other plans of similar size in your industry.

### 2 Fair and Transparent Pricing

Unlike many bundled products, our independent platform makes it easy to know who you are paying and for what services.

### 3 Effective Plan Sponsor and Participant Education

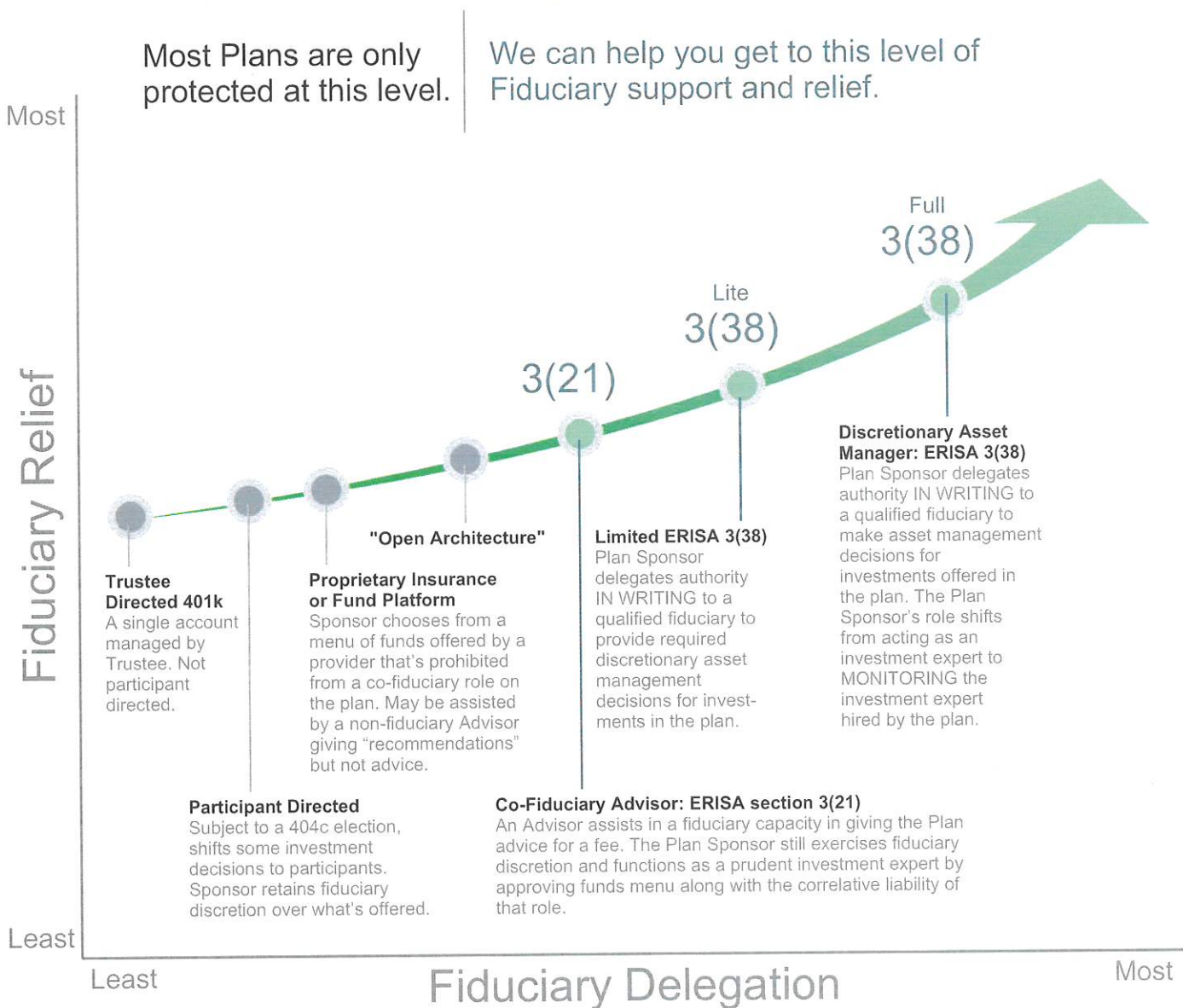
Online enrollment and easily accessible participant education tools are just a few of the aspects that make our pre-to-post enrollment process engaging and effective.

# Fiduciary Responsibility

Our retirement plan is designed to help you with your fiduciary responsibilities.

There is no question that considerable liability is placed on plan fiduciaries. In fact, ERISA Section 409(a) imposes personal liability on fiduciaries that breach their duties. That's why our program offers an independent investment manager under ERISA 3(38) that specifically accepts its fiduciary status and discretion in writing. Through delegation, we help Plan Sponsors like you lighten your fiduciary burden.

## Plan Sponsors' Fiduciary Relief through Delegation



# Fiduciary Responsibility

## Outsource Your Fiduciary Responsibility under the 3(38) Safe Harbor

ERISA provides a "safe harbor," which limits a Plan Sponsor's fiduciary liability where a qualified "investment manager" is appointed. A full delegation under ERISA Section 3(38) represents the highest level of investment liability transfer possible under ERISA. With this delegation, you, will not be under any obligation to invest or manage any assets of the plan that the investment manager is responsible for investing.

Millennium Investments acts as an independent investment manager under ERISA 3(38) and specifically accepts its fiduciary status and discretion in writing.



## All 3(38) Investment Managers Are Not Created Equal

### No Funds to Push and No Hidden Agenda

Don't be misled by investment managers that are limited to a preselected menu of funds being promoted by a recordkeeper or those that don't charge an additional fee as long as the plan invests a portion of their assets in their own managed accounts. The greatest value in retaining a 3(38) investment manager lies in having a truly independent firm sit on your side of the table and make the decisions that a well-informed plan sponsor would.

A true fiduciary platform should be independent and conflict free.

Enjoy unfettered access to over 15,000 mutual funds and ETFs.



### An Important Question:

## Does your Plan have an Investment Policy Statement (IPS)?

An investment policy statement (IPS) has four basic purposes: setting realistic objectives, defining the asset allocation policy, establishing management procedures and determining communication procedures. According to studies<sup>1</sup>, nearly one half of all defined contribution plans don't have an IPS. Without an IPS, it can be far more challenging for Plan Sponsors to ensure procedural prudence for the selection and monitoring of investments.

We provide the committee and Plan with a detailed IPS, setting the selection process of the investments.

1. Conducted by PSCA, Hewitt Associates and Barra Rogers Casey

# Investment Offerings

## Three things you should know about your proposed investments -

### 1 No Proprietary Funds.

We pride ourselves on offering a truly independent platform with no hidden agenda or funds to push.

### 2 No Fund Restrictions.

There is no "pay-to-play." Unlike many bundled providers that limit fund selection to those that meet the provider's fee sharing requirements, there are no restrictions on the available funds.

### 3 All Mutual Fund Revenue is Offset.

While some retirement plans include high fees that can detract from the Plan's performance, PCS is committed to fair pricing and full fee disclosure. A hallmark of our platform is the offset of all mutual fund revenue (including both 12b-1 fees and sub-transfer agency fees) against investment management, recordkeeping, trustee and custodial expenses.



## Proposed Investments

### Proposed Asset Classes

<b>US Stock</b>		<b>52.83%</b>	<b>Bonds</b>	<b>16.68%</b>
<b>Large: 22.40%</b>	Large Growth: 10.8%		<b>Cash</b>	<b>6.68%</b>
	Large Core: 7.9%		<b>Other</b>	<b>0.04%</b>
	Large Value: 3.7%			
<b>Mid: 19.71%</b>	Mid Growth: 5.8%			
	Mid Core: 9.3%			
	Mid Value: 4.6%			
<b>Small: 10.68%</b>	Small Growth: 2.6%			
	Small Core: 4.8%			
	Small Value: 3.2%			
<b>Non-US Stock</b>		<b>23.37%</b>		

Available Investment Options

22

Unique Equity Underlying Holdings

10,921

# About



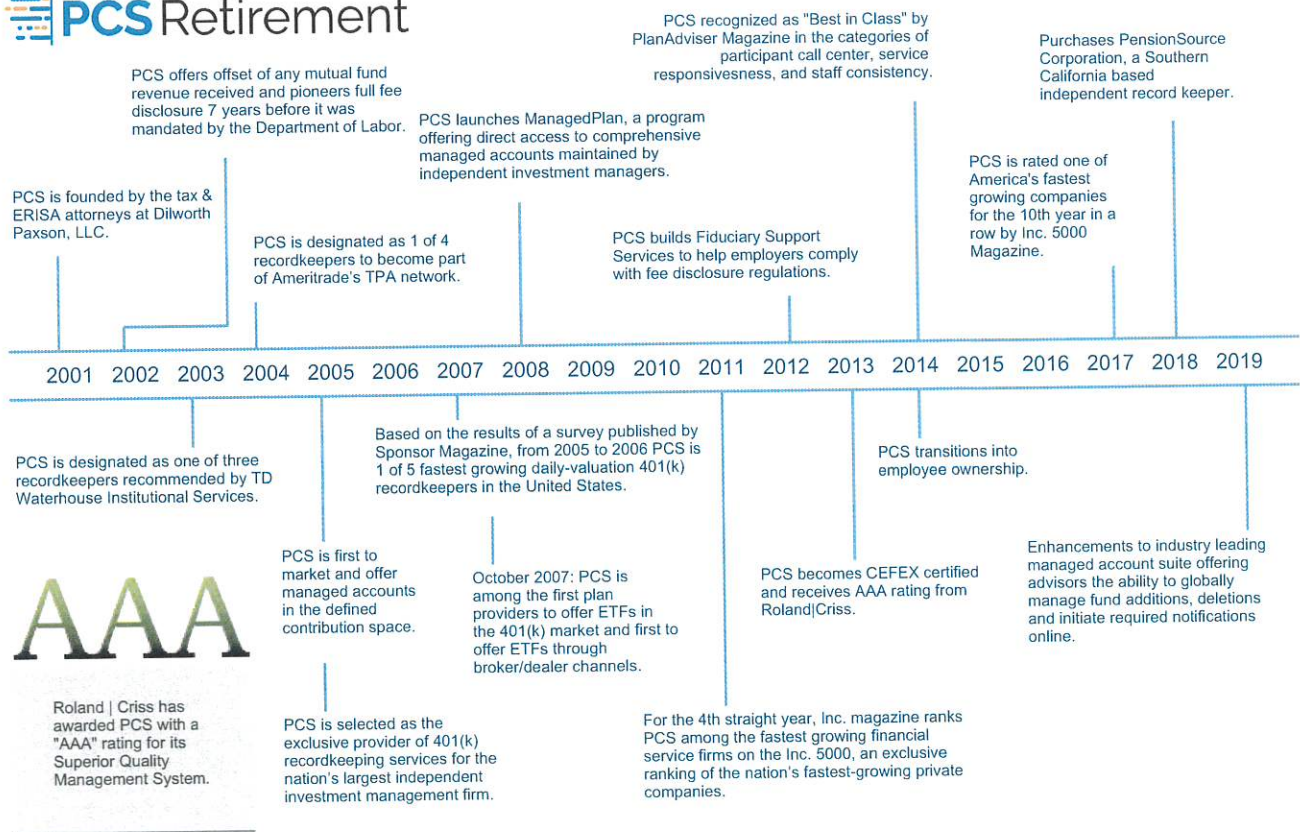
PCS, the recordkeeper and provider of administration services, was founded by tax and ERISA attorneys to provide sophisticated retirement programs for the corporate, professional and government markets. PCS specializes in creating customized 401(k) plans, both ERISA and non-ERISA 403(b) plans, 457(b) and (f) plans, profit sharing arrangements and executive-level nonqualified deferred compensation programs.

## Our Mission

- Deliver excellent customer service, always
- Serve fiduciary advisors by providing transparent, conflict-free retirement solutions with no hidden fees
- Fully disclose all fees and offset all mutual fund reimbursements
- Offer an open menu of investments
- Offer a complete and sophisticated retirement solution

## Our History

### PCS Retirement



# Easy to Understand Fees & Flexible Payment Options



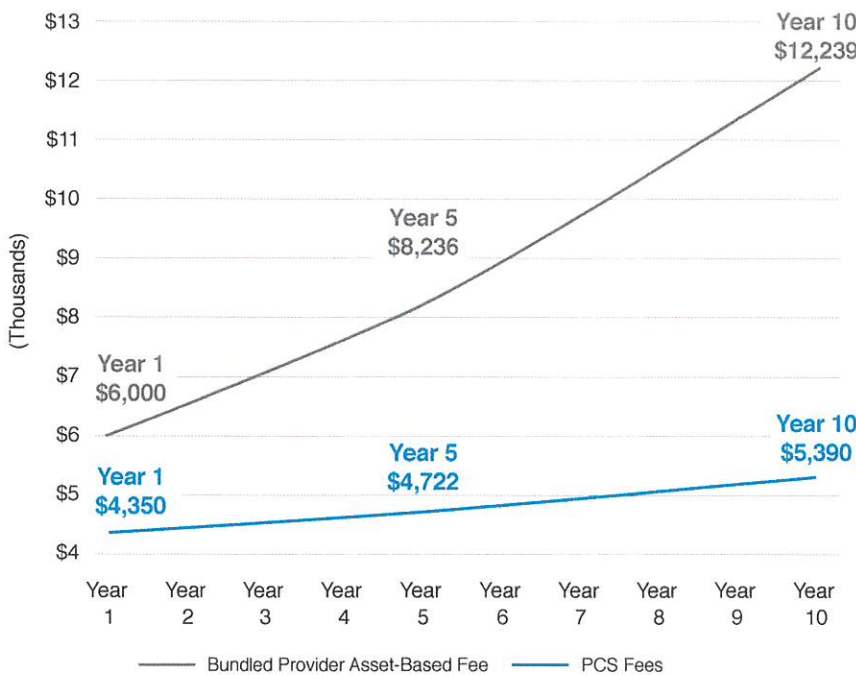
Choosing a plan is a long-term decision. Be sure to understand the impact of fees over time.

PCS fees are easy to understand, have no hidden surprises and don't penalize you in any way when your plan assets grow. **In fact, the costs as a percentage of your plan assets go down as your plan grows.** Best of all, you have several options when it comes to how plan fees are paid, giving you unmatched flexibility.

## Lower Fees Can Lead to Better Outcomes

Many traditional recordkeepers bundle their costs into a single asset-based fee. While this may appear to be an easier way of doing things, bundled asset-based fees include costs that hinder plan performance over time. By way of cost comparison, here are two plans over a ten-year period with the same number of participants, assets and the same plan asset growth rate.

Plan Assets Year 1	Plan Assets Year 10	# of Participants	Plan Asset Growth Rate
<b>\$2M</b>	<b>\$4.4M</b>	<b>25</b>	<b>8% Per Year</b>



**By year 10, PCS fees will be over 55% less than a traditional recordkeeper charging a bundled asset-based fee.**

**Disclosures:**

Example assumes that a traditional recordkeeper is charging a bundled Asset-Based 0.30% fee annually, while PCS fees are broken down as follows (i) Base Fee of \$1,550 annually, Participant Per-Head Fee of \$6 monthly and an Asset-Based Fee of 0.05% annually. Growth rate is assumed at 8% compounded four times annually for ten years.

# Easy to Understand Fees & Flexible Payment Options



## Key Takeaways from Illustration

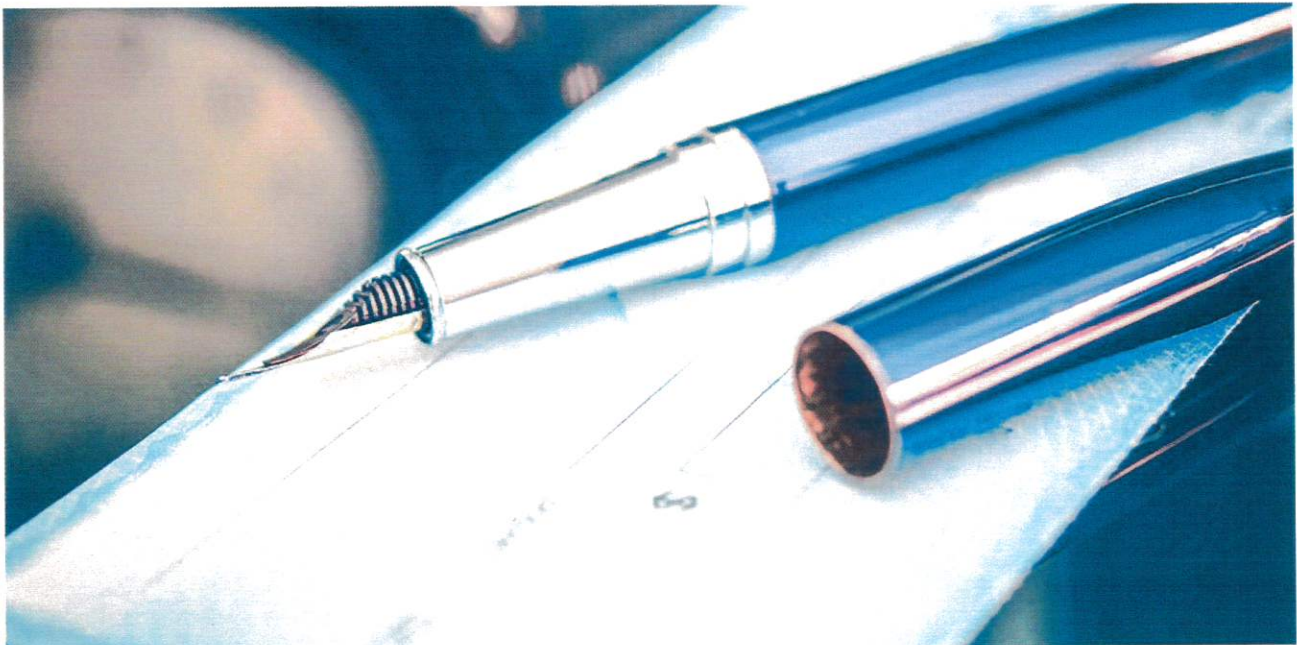
- Over ten years, bundled asset-based pricing of traditional recordkeepers costs nearly 100% more.
- While the fee difference was smaller in year 1 at 27% in favor of PCS, that difference grows to 43% by year 5 and 56% by year 10.
- As a percentage of plan assets over time, PCS fees are reduced by more than 40%, from 0.22% to 0.12%.

## Fee Flexibility, How You Pay Matters

Plan expenses don't need to be deducted from the plan itself. In fact, paying expenses using company assets can be a win for your company and participants.

For you, you'll get an immediate tax deduction along with reduced fiduciary liability (since fees aren't charged to the plan). Your participants will benefit from lower overall costs and potentially higher account balances over time.

For example, you could choose to pay the Base Fee (\$1,550) and the Participant Per-Head Fee (\$1,800 annually for 25 participant) using corporate assets. This could lead to an additional tax deduction and plan savings of \$33,500 over ten years.





# Sophisticated Recordkeeping. Excellent Customer Service. No Hidden Agenda.

PCS combines state-of-the-art technology with an experienced and dedicated team of retirement plan professionals to deliver the most complete and highest quality retirement plan available. Regardless of the type or size of the Plan, we can build and install a retirement plan customized to meet your specific needs at or below the cost of a standardized brokerage or insurance company product.

Standard features include:

### State-of-the-Art Daily Valuation Recordkeeping Services

- Daily valuation and maintenance of participant level accounts
- Online distributions and paperless loan capabilities
- Daily processing and reconciliation of account activity
- Calculation of minimum required distributions
- Real-time vesting service computation

### Client Services

- Quality Driven, Hands-On Support
- Tactical and Strategic Support
- Dedicated Installation Specialists
- Single Point of Contact
- Plan Sponsor Website



### Among Fastest Growing Financial Service Firms

A testament to our value, PCS has been recognized by Inc. 5000, an exclusive ranking of the nation's private companies, as one of the fastest-growing financial service firms in the nation.



### Time Tested and Certified for Excellence.

CEFEX and Roland/Criss have certified us as adhering to ASPPA's high Standard of Practice for Retirement Plan Service Providers.





# Recordkeeping Services

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PCS gives you everything you need to make your Plan a success.



## Excellent Customer Service

- Single point of contact (Client Relationship Manager)
- Dedicated installation specialists
- Quality driven, hands-on support



## State-of-the-Art Technology

- Daily valuation and maintenance of participant level accounts
- Daily processing and reconciliation of account activity
- Calculation of minimum required distributions
- Real-time vesting service computation



## Streamlined Payroll Process

- Our PaySnap system integrates with the leading payroll providers
- Automatic validation of census and payroll data for accuracy
- Easily enroll new participants at the plan sponsor and participant levels



## Comprehensive Workflow

- System integration from the point of installation
- eNotifications and automatic reminders designed to reduce administrative burden
- Online distribution of loan processing and approval



## Effective Participant Education

- Simplified and streamlined paperless enrollment process
- Online enrollment, Participant Education Series, and dynamic risk tolerance questionnaire
- Online investor education calculators, RetireOnTime™ gap analysis tool, and resources
- Multilingual representatives and 24/7 participant call center

## SSAE 18 Compliant

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SSAE 18 effectively replaces SSAE 16 as the authoritative guidance for reporting on service organizations. SSAE 18 was formally issued in April 2016 with an effective date of May 1, 2017. Additional information on SSAE 18 and Service Organization Control reports can be viewed at the AICPA's web page, <http://www.aicpa.org/soc>.



# Recordkeeping Services

## Keep your plan on track and reduce your workload.

What good is sophisticated technology if it doesn't save you time and money? Our websites are designed to be both straightforward and easy to use.

### Plan Sponsor Website

- Plan-level investment reporting of account balances by investment and by source
- Payroll processing and online enrollment
- Access to view participant-level investment detail and transaction history
- Plan-level transaction history by date range, by fund and by transaction type
- Online and on-demand availability of plan-level reports

### Participant Website

- Streamlined online enrollment
- Rollover Contribution Wizard for consolidating qualified retirement accounts
- Online loan modeling and paperless loan processing
- Online distributions
- Balance inquiry, trading by fund or by all sources, daily performance reporting
- Easy export capabilities via Microsoft Excel, Adobe PDF, or Microsoft Word

## Easy integration with today's leading personal finance software.

Quickly and easily integrate with Quicken, Mint.com, and other online personal finance tools so your participants can easily aggregate their account activity with transactions from other financial institutions.

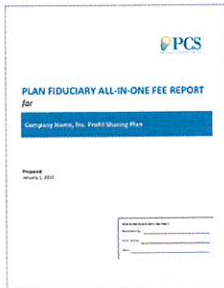


Mint and Quicken are registered trademarks of Intuit, Inc., eMoney Advisor is a registered trademark of eMoney Advisor, Inc. The Living Balance Sheet® is a registered trademark of the Guardian Life Insurance Company of America, New York, NY.

# Enrollment Support & Fiduciary Notification

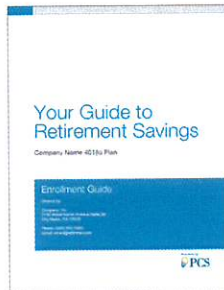
PCS offers you complete enrollment support and delivers the fiduciary notifications to assist you in complying with disclosure requirements.

## Enhanced Disclosure Services and Reports:



### Plan Fiduciary All-In-One Fee Report

A consolidated report designed to assist you in meeting your fiduciary responsibility. The report details all of the services provided and the compensation paid from the Plan's trust in one easy to read document.



### Evergreen Enrollment Guide

Our "Evergreen" Enrollment Guide is an extensive, "how-to" reference for plan enrollment, the benefits of participating, detailed information on available investment options and ERISA-required participant notifications, such as the Annual Participant Notice and QDIA notice (as applicable).



### Annual Plan Review and Benchmarking Report

Our Annual Plan Review report is a comprehensive report that offers a 360° view of a retirement plan - allowing you to easily understand its performance, compare it against similar plans, and identify opportunities for growth and improvement. It's a powerful tool to support your fiduciary responsibilities.

## Preparation of Required IRS and DOL Participant Notices

- Initial and annual participant disclosure (complies with the ERISA Section 404(a)(5) disclosure requirements)
- Qualified Default Investment Alternative (QDIA) Notice
- Required Minimum Distribution (RMD) Notice
- Corrective distribution notices (including refunds for ADP testing failures, 402(g) excess contributions, 457 (e) excess contributions and 415 excess contributions)

## Eligibility Alert System

PCS's Eligibility Alert System is an automated tracking system that monitors your Plan's participation requirements, alerts you of pending enrollments and provides required fiduciary notifications to newly eligible employees. PCS also assists your employees with enrolling in the Plan. Simply send us basic census information about all new employees and we'll do the rest!

# Financial Wellness



PCS provides interactive tools designed to help convey the features of your plan and help participants focus on retirement readiness.



## Wealth Studio

Wealth Studio is a modern and mobile-optimized financial wellness offering that equips participants with the critical knowledge and skills needed to make great financial decisions. Organized in curated, age-based playlists are short, informative videos that will help users rock their personal finances! Wealth Studio is fully integrated with the participant experience and provides detailed metrics on the success of each participant interaction, addresses different learning styles and preferred communication methods, and allows participants flexibility in their experience by the way they engage and interact.



## RetireOnTime™ Retirement Readiness Tool

RetireOnTime™ is integrated with the recordkeeping platform and also allows employees to add information about retirement assets outside your plan, resulting in a complete assessment of a participant's chances of reaching retirement goals. RetireOnTime™ will then provide participants a report of their results and recommendations, which may include adjusting levels of contribution to improve their retirement projections.



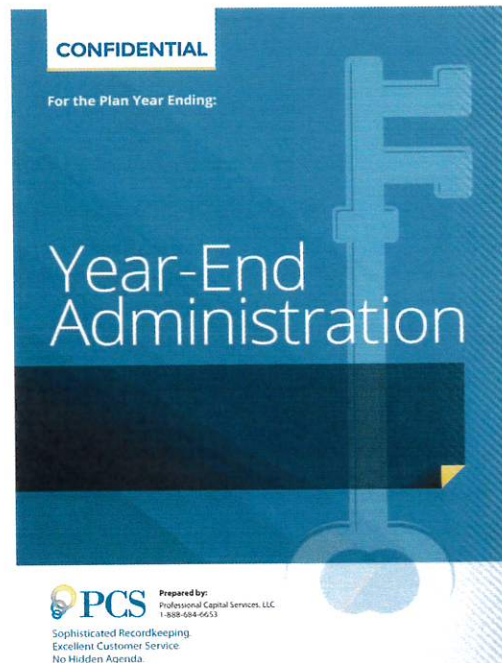


## Focused on Expert Compliance.

Appropriate plan design is critical to the effective implementation and ongoing operation of a retirement plan. Without proper plan design and the strong foundation provided by qualified plan consultants, a plan could easily become a liability to a company rather than a benefit to its employees. Our expert pension consultants and on-staff ERISA attorneys examine your company's attributes and objectives to establish an attractive plan design that meets the unique needs of your company.

### Our Sophisticated Compliance Services Include (as applicable):

- Compliance Testing - ADP/ACP, Maximum Deferral Test, Maximum Annual Addition Test
- In-house ERISA Consulting Department with On-staff ERISA Attorneys
- Top-Heavy Test, Minimum Coverage Test
- Signature-Ready Form 5500 (Annual Reports)
- Preparation of Summary Annual Reports
- IRS Tax Reporting (Form 1099R)
- Plan Level Trust Accounting
- QDRO Qualifications and Approvals
- Age 70 1/2 Determinations
- Auto-Rollover Wizard



# Premier Services Comparison

Check for yourself, and you'll find that our program gives you all the tools necessary to make managing your plan easy.

A TRULY INDEPENDENT PLATFORM	OUR RETIREMENT PROGRAM	OPTION 2	OPTION 3
Availability of over 15,000 investment options from hundreds of fund families	✓		
No proprietary fund or revenue sharing requirements	✓		
No investment or share class restrictions	✓		
Dollar-for-dollar offset of mutual fund revenue	✓		
Availability of ETFs	✓		
Availability of integrated self-directed brokerage	✓		
Model portfolio recordkeeping for no additional cost	✓		

## FIDUCIARY SERVICES AND SUPPORT

Independent Investment Management (ERISA 3(38) Services)/ Independent Investment Advisor 3(21)	✓		
Annual Plan Review and Fee Benchmarking Report	✓		
Annual Participant Disclosure (preparation and delivery) (ERISA 404(a)(5) compliant)	✓		
Annual SSAE 16 Type II report	✓		
Certified by the Center for Fiduciary Excellence (CEFEX)	✓		
Annual auditor package and support	✓		
Annual plan year-end summary package	✓		
Directed trustee services	✓		
Annual Plan Fiduciary All-In-One Fee Report (ERISA 408(b)(2) compliant)	✓		
Preparation and delivery of all required notices including participant fee disclosure, QDIA, and RMD	✓		
Flexible QDIA support - default investment can be a managed portfolio, age-based managed portfolios, target date funds or an individual balanced investment	✓		
ERISA 3(16) Administrative Fiduciary Services (additional fees apply)	✓		
Form 1099-R reporting	✓		
Investment Policy Statement and support	✓		
Evergreen Enrollment Materials (including dynamically updating of required fiduciary notifications)	✓		

## PLAN SPONSOR SERVICES AND TOOLS

Single point of contact relationship manager	✓		
Automated services including auto enrollment, annual increase program	✓		
Eligibility Alert System to help track and notify of employee enrollment dates	✓		
Comprehensive plan sponsor web site for plan administration – on-line approvals	✓		
PaySnap tool for direct 360 integration with third-party payroll providers	✓		
Expedited hardship withdrawal process including free overnight delivery and confirmation of receipt	✓		
Flexible plan document including numerous vesting, matching, and profit-sharing options	✓		
Employee education and enrollment services.	✓		
Paperless loan processing	✓		
Paperless withdrawals including online approval process	✓		
Quarterly plan reporting	✓		

# Premier Services Comparison (Continued)

PARTICIPANT SERVICES & TOOLS	OUR RETIREMENT PROGRAM	OPTION 2	OPTION 3
Robust multilingual transactional participant web site	✓		
Welcome communication via email to all employees who are eligible for the plan	✓		
Communications tailored from enrollment through retirement	✓		
"Evergreen" Enrollment Guide including required fiduciary notifications	✓		
Exchange, rebalance, and adjust future contribution elections over phone or online	✓		
RetireOnTime™ gap analysis tool translates savings into monthly income	✓		
Auto-enrollment and educational tools.	✓		
On-site and web-based enrollment support	✓		
Integration with personal financial software such as Quicken and Mint.com	✓		
Multilingual phone representatives supporting a 24/7 participant call line	✓		
Summary plan description including plan features	✓		
On-line prospectus fulfillment/transaction confirmations	✓		
Rollover wizard for streamlined rollovers	✓		
Auto-contribution acceleration and ability to schedule rebalances	✓		
Roth calculator	✓		
Payroll savings calculator	✓		

## COMPLIANCE AND REPORTING SERVICES

Annual and preliminary ADP/ACP testing	✓		
Plan design consultation and ongoing support	✓		
Elective deferral monitoring (under IRC 402[g] for calendar year-end plans)	✓		
IRC Section 415(c)(1) limitation monitoring	✓		
Top-heavy testing (under IRC Section 416)	✓		
Minimum coverage testing	✓		
Form 5500 preparation and submission of signed for to Department of Labor (DOL)	✓		
Summary annual report	✓		
Testing and tax reporting specialists	✓		
Web-based Year-end Questionnaire	✓		
Online census verification process	✓		
Online review and approval of corrective distributions and RMDs	✓		
One click automatic rollover	✓		

## TRANSITION SERVICES

Customized project plan including timeline	✓		
Conversion survey to monitor effectiveness	✓		
Direct integration with top payroll companies or online contribution processing	✓		
Dedicated implementation manager	✓		
Plan document services including detailed plan design call	✓		
Preparation of blackout notice, transition guide, plan is live email, and summary plan description	✓		

# Your Estimated Summary of Costs

## Plan Specifications

<b>Total Plan Assets</b>	<b>\$275,000</b>
Plan Assets on Recordkeeping Platform	\$275,000
Participants with a Balance	12
Average Participant Balance	\$22,917

## Estimated Costs

### Setup and Implementation (One-Time)

Installation	\$350
Plan Design Consultation & Document Preparation	\$850
<b>Total Setup:</b>	<b>\$1,200</b>

### Annual Investment Related Expenses

Investment Manager (Millennium Investments)	0.05 %	\$138
Financial Advisor (Logan Sadler)	0.50 %	\$1,375
Average Investment Expense	0.20 %	\$551 *
<b>Total Annual Investment Related:</b>		<b>\$2,064</b>

### Annual Recordkeeping, Administration and Custodial Services

Third Party Administration (PCS)	\$0
Recordkeeping (PCS)	\$2,424
Custodial (AdvisorTrust/Matrix 457(b) Govt Custody - Standard )	\$413 *
<b>Total Annual RK, Admin &amp; Custodial:</b>	<b>\$2,837</b>

**Total Annual Recurring Costs (Estimated):** **\$4,901 <sup>1</sup>**

<sup>1</sup>All costs are good faith estimates of service provider costs taking into account prevailing market rates and are intended to comply with the Department of Labor regulations under ERISA Section 408(b)(2). ("408(b)(2) Regulations").

\*This result will change according to the Schedule of Costs as Plan Assets are added.



# Schedule of Costs

## Setup and Implementation (One-Time)

Installation	\$350
Plan Design Consultation & Document Preparation	\$850

## Advisory Services

Investment Manager (Millennium Investments)	0.05 %
Financial Advisor (Logan Sadler)	0.50 %

## Annual Administration

Third Party Administration (PCS)	\$0
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## Recordkeeping Services

Premier Recordkeeping and Fiduciary Services	\$1,560
Participant with an Account Balance (Annually)	\$72

## Annual Custodial and Trust Services

Asset Based (AdvisorTrust/Matrix 457(b) Govt Custody - Standard )	0.15 %
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## Managed Accounts

0.25 %

Agreed and Accepted By:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

# What happens next?



With PCS, transitioning your plan is easy.

Below is our standard plan conversion timeline. Most plans take approximately 60 days to convert once the original signed plan documentation is received. While some plans may take less time, and others more, we work persistently to ensure that every plan is moved swiftly and securely.

## Week 1 LAUNCH

- Receipt of sign-up paperwork in good order
- Welcome call with Plan Sponsor and Advisor

## Week 2 BLUEPRINT

- Call to discuss plan design, timeline, specifications, and requirements

## Week 3 EDUCATE

- Enrollment meetings held

## Week 4 TRAIN

- Payroll training held with first payroll and ACH submission completed
- Signed documents returned to PCS
- Introduction to Plan Sponsor website
- Overview of transactional processing – loans, distributions, etc.

## Week 5 PROCESS

- Initial payroll is uploaded

## Week 6 CONFIRM

- 15 step quality control process and review

## Week 7 LIVE

- Plan goes live and participants are notified
- Seamless transition to Client Relationship Manager

# Proposed Investments

Below is a listing of the individual funds proposed for your plan:

As of 6/30/2022		Fees				Performance		
Name	Symbol	Mgmt	12b-1	SubTA	Total	1 yr	3 yr	5 yr
<b>Diversified Emerging Mkts</b>								
DFA Emerging Markets I	DFEMX	0.36 %	0.00 %	0.00 %	0.36 %	-20.36 %	1.97 %	2.65 %
<b>Foreign Large Blend</b>								
Vanguard Developed Markets Index Admiral	VTMGX	0.07 %	0.00 %	0.00 %	0.07 %	-18.15 %	2.10 %	2.68 %
<b>Foreign Large Growth</b>								
Vanguard International Growth Adm	VWILX	0.32 %	0.00 %	0.00 %	0.32 %	-36.18 %	6.33 %	7.51 %
<b>Foreign Large Value</b>								
Vanguard International Value Inv	VTRIX	0.36 %	0.00 %	0.00 %	0.36 %	-17.40 %	2.06 %	2.66 %
<b>Foreign Small/Mid Blend</b>								
DFA International Small Company I	DFISX	0.39 %	0.00 %	0.00 %	0.39 %	-19.77 %	2.80 %	1.93 %
<b>Global Large-Stock Growth</b>								
American Funds New Perspective R6	RNPGX	0.41 %	0.00 %	0.00 %	0.41 %	-22.19 %	8.14 %	9.43 %
<b>High Yield Bond</b>								
Vanguard High-Yield Corporate Adm	VWEAX	0.13 %	0.00 %	0.00 %	0.13 %	-11.22 %	0.00 %	1.95 %
<b>Inflation-Protected Bond</b>								
DFA Inflation-Protected Securities I	DIPSX	0.11 %	0.00 %	0.00 %	0.11 %	-5.70 %	2.74 %	3.14 %
<b>Intermediate Core-Plus Bond</b>								
Russell Inv Strategic Bond R6	RSBRX	0.48 %	0.00 %	0.00 %	0.48 %	-11.75 %	-0.82 %	0.87 %
<b>Large Blend</b>								
Fidelity® 500 Index	FXAIX	0.02 %	0.00 %	0.00 %	0.02 %	-10.63 %	10.59 %	11.29 %
<b>Large Growth</b>								
TIAA-CREF Large-Cap Gr Idx Instl	TILIX	0.05 %	0.00 %	0.00 %	0.05 %	-18.84 %	12.51 %	14.22 %
Fidelity® Large Cap Growth Idx	FSPGX	0.04 %	0.00 %	0.00 %	0.04 %	-18.80 %	12.54 %	14.23 %
<b>Large Value</b>								
Vanguard Value Index Adm	VVIAX	0.05 %	0.00 %	0.00 %	0.05 %	-1.90 %	8.67 %	9.22 %
<b>Mid-Cap Blend</b>								
Fidelity® Mid Cap Index	FSMDX	0.03 %	0.00 %	0.00 %	0.03 %	-17.31 %	6.57 %	7.95 %
<b>Mid-Cap Growth</b>								
Vanguard Mid-Cap Growth Index Admiral	VMGMX	0.07 %	0.00 %	0.00 %	0.07 %	-25.42 %	6.14 %	9.04 %
<b>Mid-Cap Value</b>								
Vanguard Mid-Cap Value Index Admiral	VMVAX	0.07 %	0.00 %	0.00 %	0.07 %	-6.05 %	7.53 %	7.10 %
<b>Real Estate</b>								
DFA Real Estate Securities I	DFREX	0.18 %	0.00 %	0.00 %	0.18 %	-5.86 %	5.40 %	6.89 %
<b>Short-Term Bond</b>								
Russell Inv Short Duration Bond R6	RDBRX	0.50 %	0.00 %	0.00 %	0.50 %	-5.65 %	0.13 %	1.09 %
<b>Small Blend</b>								
Fidelity® Small Cap Index	FSSNX	0.03 %	0.00 %	0.00 %	0.03 %	-25.20 %	4.26 %	5.25 %
<b>Small Growth</b>								
Vanguard Small Cap Growth Index Admiral	VSGAX	0.07 %	0.00 %	0.00 %	0.07 %	-31.76 %	2.34 %	6.80 %
<b>Small Value</b>								
Vanguard Small Cap Value Index Admiral	VSIAX	0.07 %	0.00 %	0.00 %	0.07 %	-12.07 %	6.76 %	6.15 %
<b>Stable Value</b>								
Standard Stability Fund I	MG3610	0.60 %	0.00 %	0.00 %	0.60 %	0.13 %	0.33 %	0.59 %

\* All mutual fund distribution fees are offset dollar for dollar against investment manager, recordkeeping, trustee and custodial expenses

# SmartPlan: Personalized Retirement Planning

SmartPlan Managed Accounts offers plan sponsors a cost-effective way to provide personalization for plan participants, all in service of better outcomes. The key to retiring successfully is having a plan, and with SmartPlan participants get one that's tailored to where they are in their retirement-readiness journey.

SmartPlan guides participants on:

- ✓ A diversified portfolio
- ✓ Retirement spending
- ✓ When to retire
- ✓ How much to save

## The SmartPlan solution includes:



### Personalized investment portfolio

This updates automatically as the markets and the participant's life circumstances change.



### Social Security estimates & tax-aware withdrawal strategy

Customize the strategy further with 30+ data points including outside assets.



### Digital & advisor-led investment services

The solution meets people where they're at in their financial journey, on their terms.

## Target Date Funds vs. SmartPlan Managed Accounts

Unlike traditional target date funds that focus only on age, SmartPlan provides holistic personalization.

	TDFs	SmartPlan Managed Accounts
Reasonable cost	✓	✓
No participant input required	✓	✓
Portfolio personalization beyond age		✓
Personalized asset allocation		✓
Personalized engagement		✓
Personalized advice		✓
Account aggregation		✓

**Contact us today to learn more!**

(704) 743-3226

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# Benefits for Plan Sponsors

## A plan for all.

Our platform provides a personalized retirement plan, based on data provided by the recordkeeper such as age, home state, savings rate, employer match schedule and account balance. Participants also have the option to input their outside assets and 25 additional data points to personalize further.

## Adaptive engagement.

We believe personalized engagement is key to driving positive behavior and improved outcomes. That's why interaction with the platform is enhanced by in-application messages that make smart use of participant data and emails that help investors identify savings and personalization opportunities and take action in the moment.

## Cost-effective personalization.

We're one of the lowest-cost providers of managed accounts, and our solution is priced even more competitively when used as the QDIA. Additionally, when comparing fees, it's important to consider the value a managed account offers. We estimate the value-add of our managed account solution to be 0.95% (95 bps) per year, excluding the value of contribution and retirement age recommendations.<sup>4</sup>

**Approximately 30%** of U.S. adults say they're worried about their ability to save for retirement.<sup>1</sup>

**#1 concern** among 1,500 plan sponsors was whether their plan is effectively preparing employees for retirement financially.<sup>2</sup>

**68% of target-date fund investors** incorrectly think the funds are FDIC-insured, pointing to widespread misunderstanding of that solution.<sup>3</sup>

**Get started today!**

**(704) 743-3226 | [miracenter.com](http://miracenter.com)**

## NextCapital Group

NextCapital is an enterprise digital advice company based in Chicago. With a passion for innovation and decades of industry experience, the NextCapital team has brought disruptive financial solutions to market in an effort to help everyone retire successfully. The company partners with leading financial institutions to deliver configurable solutions tailored to the needs of investors and goals of partners. NextCapital works with partners to personalize planning and managed accounts, customize methodology and fiduciary roles, and in some instances serve as the 3(38) investment manager for discretionary, plan participant advice.

## Millennium Investment & Retirement Advisors

Millennium Investment & Retirement Advisors is a fee-only consulting firm that is committed to providing unbiased advice and prudent strategies for managing ERISA plans. The company also offers ERISA risk management, 408(b)(2) fee analysis, investment management, and a single data repository at your office for collecting plan expense data for all plan types. This allows sponsors, CCOs, and financial advisors to identify plans that are out of compliance. Users can organize data so it is easily evaluated, reported, and validated by top legal professionals.

## PCS Retirement

PCS Retirement (PCS) is one of the nation's largest independent and conflict-free retirement solution providers. PCS provides recordkeeping services to 18,000 plans and 750,000 eligible participants representing more than \$26 billion in assets under administration. With data-driven recordkeeping technology, PCS supports all types of retirement plans, individual retirement accounts, and health savings accounts. PCS is certified for recordkeeping service provider excellence.

[nextcapital.com](http://nextcapital.com) | [miracenter.com](http://miracenter.com) | [PCSRetirement.com](http://PCSRetirement.com)

<sup>1</sup> [Pew Research Center, 2021](#)

<sup>2</sup> [Fidelity Investments, 2020](#)

<sup>3</sup> [AllianceBernstein, 2021](#)

<sup>4</sup> [NextCapital, 2020](#)

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