

CASE STUDY

Maximizing Contributions While Reducing Costs



AT A GLANCE

Challenges

- High Plan Costs
- Profit-Sharing Limitations

Our Solution

- Lower-cost platform
- Third-party administrator (TPA) integration
- Profit-sharing optimization

BACKGROUND

A small business owner approached us with concerns about the cost of their retirement plan. With fewer than five employees, they wanted to reduce expenses while still maintaining a competitive benefit structure.

CHALLENGES

The client faced two key issues:

- High plan costs: Their existing retirement plan was too expensive for the size of their business.
- Profit-sharing limitations: The plan's integrated profit-sharing structure unintentionally restricted the owner's ability to maximize their own contributions.

OUR SOLUTION

To optimize both cost and contributions, we implemented the following changes:

- Lower-cost platform: We transitioned the client to a more cost-effective retirement plan platform suited for businesses with fewer than five employees.
- Third-Party Administrator (TPA) Integration: We introduced a TPA to provide expert oversight and ensure compliance while enhancing plan efficiency.
- Profit-sharing optimization: During the plan review, the TPA identified and corrected a structural issue that had previously limited the owner's profit-sharing allocation. This adjustment allowed the business owner to fully maximize their own contributions while offering greater flexibility for employees.

RESULTS

By restructuring the plan, the business reduced retirement plan expenses while unlocking new opportunities for both the owner and employees to maximize their contributions. The client now benefits from a more cost-efficient and flexible retirement solution tailored to their specific needs.

Meet the team

Our team is here to deliver personalized advice and services to help you achieve your financial goals, today and tomorrow.

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