SCA Finance Committee

AGENDA

September 11, 2026 Special Meeting

VIRTUAL

3:00 PM

Members of the public may view and listen to the meeting by using the following link from a computer, tablet, or smartphone:
https://teams.microsoft.com/meet/242606375954180?p=FgcHE53RST5Cwr8zI0
Meeting ID: 242 606 375 954 180 / Passcode: gQ2w4nD2

1) **Call to Order** – Treasurer Thomas McLeod

2) **SCA Staff Retirement Program** 30 minutes
Attachment 1

Potential Action: Recommendation to the Board approval of the proposed SCA Staff Retirement Program

3) **Adjourn**

Background

Staff have identified a replacement retirement plan that we believe is a good fit for SCA and are prepared to bring it forward for consideration. October 1 is the deadline to establish a new calendar-year safe harbor plan for 2026. If SCA does not meet that deadline, the next opportunity would be to implement the plan effective January 1, 2027.

Staff are asking the Committee for feedback and direction on the proposed plan and, if the Committee finds the plan acceptable, a recommendation for approval by the Board.

Proposed Plan Details

Ascensus Essentials 401(k), with Ascensus providing 3(16) administrative services and Newport providing 3(38) investment fiduciary services

Investment approach	Professionally selected/monitored lineup and managed portfolios
Investment fiduciary	Newport Group Consulting serves as 3(38) investment manager/fiduciary
Who selects/monitors investments?	Newport
Basic recordkeeping/compliance	Ascensus
Plan Type	Safe Harbor 401(k)

Employer	**setup fee**	$500 (once)
Employer	**monthly fee**	$150/month
Employer	**3(16) administrative services**	Included
Employer	**QuickBooks Online Payroll Integration**	$40/month
Employee	**recordkeeping fee**	$7.50/month per participant
Employee	**Custodial/trading fee**	0.07% annually
Employee	**Investment fiduciary fee**	0.25% annually
Employer	**Underlying fund expenses**	Additional (varies by investment)

Staff recommend the following plan design:

1. **Safe Harbor 401(k)** This provides SCA with a compliant plan structure and annual nondiscrimination testing requirements.
2. **Immediate Eligibility and Vesting** Employees would be eligible to participate immediately, and employer contributions would be fully vested when made.
3. **5% Employer Contribution** SCA would contribute 5% of eligible compensation for each employee. This is intended to provide a competitive retirement benefit at a cost generally comparable to SCA's previous PERS employer contribution in full cost.

Considerations

Ascensus was selected from the options researched based on its administrative and fiduciary support, experience serving small employers, and overall plan value.

1. Ascensus would provide 3(16) administrative fiduciary services in addition to recordkeeping and compliance services, reducing the plan administration responsibilities that would otherwise remain with SCA staff or require a separate vendor.
2. Through Ascensus, Newport would serve as the plan's 3(38) investment fiduciary, with responsibility for selecting and monitoring the plan's investment lineup. This reduces SCA's fiduciary responsibility for investment selection and ongoing monitoring by delegating those decisions to an investment professional.
3. Small-business retirement plans are an established part of Ascensus's business, including plans for organizations with a small number of employees.
4. **Customer experience.** Public reviews of Ascensus are mixed, with some customers reporting service and account-access issues, including issues associated with prior platform migrations. Similar concerns appear in public reviews of other retirement plan providers researched. Staff considered these concerns alongside other considerations and would welcome the Committee's feedback.

Recommended Action: recommendation to the Board approval of the proposed Ascensus Essentials 401(k) plan, including a 5% employer contribution, immediate eligibility, and immediate vesting, for implementation in 2026.