



PENSION STRATEGIES

QUALIFIED PLAN DESIGN & ADMINISTRATION



Upcoming Deadlines

October 15th
Form 5500 filing
deadline for
calendar year plans
(on extension)

December 1st
2014 Safe Harbor
Notice for 401(k)
plans with safe
harbor contributions
must be provided to
participants.



More About Us

Strategic Update

Ideas, news and tips from Pension Strategies

October 2013

The Comeback of Cash Balance Plans

Pension Strategies is frequently asked about plan trends within the retirement plan arena and what is working well for the business owner seeking to increase retirement plan savings. We often work with businesses wanting a higher contribution limit than what is offered in a 401(k) Profit Sharing Plan. Defined Benefit Plans are a helpful relief tool for the business owner needing to increase tax-deferred retirement savings.

The Cash Balance Plan, a specific type of Defined Benefit Plan, has become a successful choice for many business owners nationwide. In a 2013 study done by Kravitz, Inc., Cash Balance Plans showed a 500% increase in the last decade and have seen a 12% increase in the last year. This growth exceeds all other plan designs within the retirement plan arena, including 401(k) plans. According to the study, one of the keys to growth was because companies more than doubled contributions to employee retirement savings when a Cash Balance Plan was added.

Small businesses continue to drive Cash Balance Growth, noting that 86% of Cash Balance Plans are implemented at firms with fewer than 100 employees. Many leading national law firms and medical groups offer Cash Balance Plans, and Pension Strategies has seen multiple Cash Balance Plans implemented this year through medical offices. It's a great way for companies with multiple owners to achieve contribution goals.

We can provide additional information about what a Cash Balance Plan is and how it works. Please contact Pension Strategies and let us help you determine if a cash balance plan is right for you.



Department of the Treasury
Internal Revenue Service

Alert: IRS, Part 2

We have recently seen increased questioning in IRS audits related to non-traditional plan assets. These include real estate, limited partnerships, plan loans and other assets that do not have readily determinable market

values. Please be sure you are carefully tracking these assets, that they are titled correctly in the name of the plan, and that you are having them independently valued on an annual basis.

Pension Strategies News



This month we would like to introduce you to Melissa Myers. Melissa is an Arizona native. She graduated from ASU with a degree in finance and a minor in psychology. She works on plans with our defined contribution team and loves to help people prepare for retirement. She is also a terrific slow pitch softball player and spends her free time on second base or at short stop.

Please let us know if you would like us to address any topics in upcoming issues of Strategic Update. We're here to be your best resource in the Retirement Planning industry.

Sincerely,

Jack Lawless, CPA, APM

Pam Johnson, QPA, CPC

Jill Hastings, JD

David Schattenberg, APA, Senior Consultant

Mallory Young, Senior Consultant

And the entire Pension Strategies team