

Plan Costs and Administrative Fees Discussion

AndCo Consultant
Mike Fleiner

Washoe County 457 & 401a Plans



AndCo Consulting | (844) 44-ANDCO | AndCoConsulting.com

Formerly The Bogdahn Group

Debits and Credits

- Using this approach MassMutual would create a zero revenue sharing line-up by simply crediting back any revenue sharing to the participants that are invested in funds that revenue share.
- The County determines the amount of asset based fees that would be required to cover the annual plan expenses.
 - MassMutual requires 0.08% annually for recordkeeping and administrative fees
 - AndCo consulting fees are currently 0.034% annually
 - Other administrative fees \$10-\$15k per year or less than 0.01%
 - **Total asset based fee to cover annual expenses applied to all accounts 0.13%**
- Another option would be to apply an asset based fee for just the recordkeeping expenses of 0.08% and then use a per participant hard dollar fee to cover the other administrative expenses.
 - \$40 per head per year or \$10 per quarter would generate approximately \$96k per year
 - \$30 per head per year or \$7.50 per quarter would generate approximately \$72k per year
 - **0.05% would generate approximately \$82k per year based on current plan assets**
- We believe this method would make the most sense as it give the committee the ultimate flexibility in controlling revenue going forward.

