

Prevailing Wage 401(k) Plan Design

Evergreen Electrical* Defines Business Strategy Around the Plan Design of Prevailing Wage 401(k)

FuturePlan Powered by Beneco and Evergreen Electrical celebrated 25 years of partnership in 2018. Over that time, Evergreen Electrical has grown to 1,140 employees who participate in a FuturePlan powered by Beneco Prevailing Wage 401(k) plan with over \$32m in retirement savings. Evergreen Electrical added Vacation / PTO to realize more savings and take part in FuturePlan powered by Beneco's Hour Banking services.



*Actual name changed for confidentiality



The Opportunity

Evergreen Electrical operates in San Diego County, California, a competitive labor market with competitive bidding. Evergreen believes that its people are its competitive advantage and takes responsibility for providing a secure financial future for its employees. Offering an attractive benefits package is its key to winning, even while operating on razor thin margins.



The Solution

Evergreen Electrical partnered with FuturePlan's Plan Design consultants to craft a solution that would beat its competitors, bar none. Together, we offer Evergreen workers a retirement plan that includes loans, hardship distributions, above industry investment returns, and an age 55 distribution waiting period. Furthermore, Evergreen uses the PW tax savings from FuturePlan to lower its bid price and win more bids, leading to rapid growth.

About Plan Design

At FuturePlan, we believe a well-designed prevailing wage plan is a critical element to construction company strategy. Our ability to execute on strategic Plan Design combines compliance expertise and complex cross-testing with strategic consultation to minimize tax burden, maximize retirement savings, and reinvest in building the business.

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We have a solid reputation in San Diego County for bidding competitively, successfully completing projects on time and within budget. We can do this because we have skilled dedicated employees. Our competitors are starting to have to put a solution like FuturePlan in place because they can't compete without it.”

Jack

Owner, Evergreen Electrical



The Impact

- \$4.2m in tax savings through the use of FuturePlan's solutions, reinvested in the business
- 12-month investment earnings of \$3.8m with 87% of employee retirement assets in NFP's flexPATH TDF
- \$32m in retirement plan savings for 1,140 Evergreen employees, meeting its commitment to provide for its employees and improving its hiring and retention practices (\$145k in 2014 to \$548 k in 2017)

