



**SEK CPA's & Advisors  
Retirement Plan Services Group**

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March 13, 2023

**Proposal for  
Mayor and Council of Boonsboro Employee Pension Plan  
Retirement Plan Consulting and Third Party Administration  
Services**

*About SEK CPA's & Advisors*

Smith Elliott Kearns & Company, LLC is a regional CPA firm of over 150 members and employees committed to continue its sixty year tradition of providing expert advice and quality services to our business clients. The Retirement Plan Services Group maintains this commitment to tradition through personal attention and communication to our clients for their employee benefit needs.

We offer expert assistance in:

- ✦ Plan design
- ✦ Plan document review
- ✦ Plan nondiscrimination testing
- ✦ Government compliance
- ✦ Legislative changes
- ✦ Technical assistance and direction

Our Retirement Plan Services Group (RPSG) is comprised of 12 individuals with superb technical pension expertise and strong responsibility to client services: consulting, compliance, retirement plan recordkeeping and administration. The combination of our expert staff and state-of-the-art technology provides our clients with a service-driven program, designed to meet their needs and objectives at an affordable cost.

The RPSG is led by Terry Eisenhauer, CPA who is committed to continue to serve the Mayor and Council as he has for over 15 years. The RPSG serves approximately 450 retirement plans, 22 of which are local governmental entities. Sally Alexander, APA, will be the Senior Administrator for your plan. Sally is the RPSG governmental plan specialist with over 20 years of experience providing retirement plan services.

**Retirement Plan Administration Services  
Utilizing the American Funds Participant Directed Investment/Recordkeeping Platform**

*Annual Recurring Administration:*

- ❑ *June 30, 2023*      \$2,075
- ❑ *June 30, 2024*      \$2,125
- ❑ *June 30, 2025*      \$2,150

*Approximately 25% of the net annual fee will be billed quarterly.*

*Annual services will include:*

- ❑ Maintain employee census and tracking years of service
- ❑ Tracking employee eligibility and participation in the plan
- ❑ Allocation of employer contributions, if any, to participants' accounts
- ❑ Performance of required non-discrimination tests
- ❑ Performance of vesting calculations
- ❑ Reconciliation of participant accounts held at the investment company
- ❑ Annual meeting with the Town Manager, if requested

**Additional Plan Services**

*Distribution fees (may be charged directly to participants)*

- ❑ Normal, In-Service and Required Minimum Distribution packages      \$100
- ❑ QDRO (Qualified Domestic Relations Order) review      up to \$1,000

*Consulting – hourly rates currently ranging from \$100 to \$415/hour.*

- ❑ Assistance with plan amendments
- ❑ Assistance with IRS, DOL or ERISA audits
- ❑ Assistance with correction of test failures
- ❑ Assistance with asset and platform conversions and set-up
- ❑ Attendance at employee or trustee meetings
- ❑ Other consulting

Note re: Investment company TPA revenue sharing: We may receive revenue or be reimbursed for expenses incurred with respect to the performance of services from Third Party Administrator (TPA) Service Programs. Payments under these programs are made to TPAs who work effectively with the investment platform's systems and processes to facilitate the efficient delivery of plan and compliance services. Payment qualification criteria include demonstrated ability to effectively interface with their systems and processes. We will credit any payments we receive related to the assets of your plan against our fees for third party administration services. If the payments we receive exceed our fees for the annual administration services, the credit balance will be carried forward to offset our fees for future services. Based on the current investment line-up, we do not expect to receive any revenue sharing from American Funds.

**Responsibilities**

I will oversee all the services we will perform for you, and it will be my responsibility to ensure that you receive excellent service. Members of the firm will be called upon for a second point of view or specialized knowledge, as necessary.

The third party administration and compliance services will be performed using information which you, or other services providers you use, furnish to us. Although we may ask you for clarification or elaboration of some of the information, we will make no management decisions, and thus, our role will not be that of a fiduciary. We will not audit or otherwise verify the data you submit. To assist you in gathering necessary information, we may furnish worksheets as appropriate. Your use of these forms will facilitate your information gathering process and will keep our fee to a minimum.

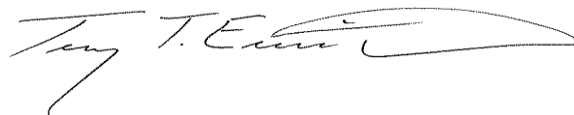
Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts that may exist. However, we will inform the appropriate level of management of any material errors that come to our attention and any fraud or illegal acts that come to our attention, unless clearly inconsequential.

It is our policy to keep records related to this engagement for seven years. However, Smith Elliott Kearns & Company, LLC does not keep original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

The plan’s financial and statistical data is the representation of the employer and trustee who have the responsibility for safeguarding assets, and for the accuracy of the financial and statistical data.

We appreciate the opportunity to provide this proposal to you and look forward to serving your third party retirement plan administration and consulting needs. Please call if you have any questions about any aspect of this proposal. If the foregoing is in accordance with your understanding and you would like to proceed, please sign the copy of this proposal in the space provided and return it to us. If changes are necessary, please let us know.

SMITH ELLIOTT KEARNS & COMPANY, LLC



Terry T. Eisenhauer, CPA  
Member of the Firm

**Proposal Acceptance**

The Mayor and Council of Boonsboro, Maryland accepts the above proposal.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_