

EMPOWER, VANGUARD & NH HICKS Presented

Nevada NEST State Retirement Plan
Mandate Workshops

June 25, 2025 & July 30, 2025

People Matter & Experience Counts

Presenters



Maria Rayas McPhee (720) 470-4245 maria.mcphee@empower.com

- o 10 years of retirement experience in service and sales
- o 4 years of leading Empower internal business resource group for Latin employees, focus on driving resources for Spanish speaking clients
- o Lifelong athlete, music lover, wife and mom

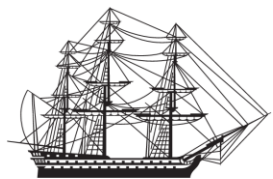
Chris Ressa (916) 316-5932 cressa@nhhicks.com

- o 1 year as a TPA consultant with NH Hicks
- o 15 years as an advisor focused on selling and managing retirement plans
- o 19 years as an educator and coach

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Presenters



Vanguard®

NH HICKS

LEGAL AND PENSION CONSULTANTS

Ron VanRell (480) 713-7011 ronald_vanrell@vanguard.com

- o 25 years as a Vanguard veteran
- o Has held multiple sales and leadership positions
- o QKA and QKC American Society of Pension Professionals & Actuaries (ASPPA) designations

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NEST Workshop Agenda

- Small Plan Market Opportunity
- Plan Set Up Deadlines
- Who's Covered
- Plan Features
- NEST vs 401(k) Comparisons
- Plan Design Illustrations



Small Plan Market Opportunity



*Clippings from planadviser article on
January 9, 2025*

Micro-401(k) Plan Market Ripe for Non-Specialist Adviser Growth

The market for 401(k) plans with less than \$5 million in assets is poised to hit 1 million plans by the end of the decade, with wealth advisers poised to capitalize

the micro-plan 401(k) market—those with less than \$5 million in assets—will rise to more than 1 million plans by about 2029, driven in part by state mandates and federal tax incentives, according to a [retirement markets](#) report

Non-specialist wealth advisers, in particular, may particularly benefit because they will “capitalize on existing relationships with small business owners” to sell retirement plans to these clients,”



Plan Set Up Deadlines



NEST Register or Certified Exemption

- **Deadline September 1, 2025**

Adding a New Profit-Sharing Plan (Partnership & S-Corp) for 2024

- **Deadline: September 15, 2025**

Adding a New Profit-Sharing Plan (C-Corp) for 2024

- **Deadline: October 15, 2025**

Adding a New Defined Benefit Plan for 2024

- **Deadline: September 15, 2025**

Adding a New 401(k) Plan for Sole Proprietor for 2024

- **Deadline: October 15, 2025**

New Safe Harbor 401(k) Plan for 2025

- **Deadline: October 1, 2025 (At Least 3 Months in Calendar Year)**

Adding a Safe Harbor Match 401(k) Plan for January 1, 2026

- **Employees 30-day notice requirement**
- **Plan document by December 31, 2025**

Nevada Retirement Savings Program

Starting July 1, 2025



Company profile

Covered Employers

- **6 or more employees.**
- **Have been in business for at least 36 months.**
- **Have not maintained a tax-favored retirement plan for their employees.**

*If you are a Nevada employer with less than 6 employees, then you are not required to register or participate in NEST. There is no exemption certification or registration process for businesses with fewer than 6 employees, they simply are not within the scope of the law.

Nevada Retirement Savings Program

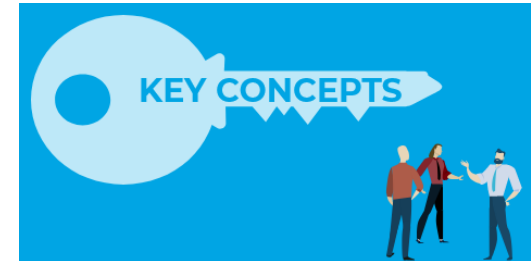
Starting July 1, 2025



Covered Employees

- Have been employed by their current employer for **120 days or more**.
- Are **18 years or older**.
- Receive **wages or other compensation** from their employer allocable to Nevada.

Nevada Retirement Savings Program



Key Concepts

Nevada Employee Savings Trust	
Plan Type	Roth IRA program where contributions are made through company payroll.
Investment Provider	Administered by Vestwell and Nevada joins Colorado, Delaware, Maine, and Vermont in this program.
Auto-enroll	5% following the employees 120th day of employment, unless the employee makes a positive election.
Auto-escalation	Yes, expected to increase by an additional 1% on each January 1, up to a cap of 8%.
Fees	Cost-free for employers. Employees will pay all the plan fees.
Investments	Details on following slides.
Penalites	Waiting on further guidance on enforcement dates but expected to be \$100 per eligible employee per year, not to exceed \$5,000 annually.

*Roth IRA income thresholds apply to NEST. For single filers full contributions are phased out if MAGI is over \$150,000 and for Married Filing Jointly is MAGI over \$236,000.

Nevada Retirement Savings Program



Plan Sponsor Responsibilities

Nevada Employee Savings Trust	
Register	Register (or certify exemption) and onboard your company and employees through the NEST employer portal by September 1, 2025 . Vestwell sends direct communication (email or postal mail) to each registered eligible employee. Communication will include Access Code, key details, deadlines, and upcoming 30-day-opt-out-window.
Payroll Contributions	Fund your payroll contributions via ACH to allow automated transfers.
360 Payroll Integration	Employer to contact payroll company to set up 360 payroll integration with Vestwell. This optional service may come as an addition cost.
Ongoing Responsibilities	Ensure payroll system reflects accurate entries for employees (new hires, terminations, ...) and banking details in sync.

Nevada Retirement Savings Program



Target Date Investments

Fund Name	Ticker
State Street Target Retirement Fund - Class K	SSFOX
State Street Target Retirement 2025 Fund - Class K	SSBSX
State Street Target Retirement 2030 Fund - Class K	SSBYX
State Street Target Retirement 2035 Fund - Class K	SSCKX
State Street Target Retirement 2040 Fund - Class K	SSCQX
State Street Target Retirement 2045 Fund - Class K	SSDEX
State Street Target Retirement 2050 Fund - Class K	SSDLX
State Street Target Retirement 2055 Fund - Class K	SSDQX
State Street Target Retirement 2060 Fund - Class K	SSDYX
State Street Target Retirement 2065 Fund - Class K	SSFKX
State Street Target Retirement 2070 Fund - Class K	SSFKX

Default Investment Option: Contributions made during the first 30 days will be invested temporarily in the *Capital Preservation Fund*. After 30 days funds will be exchange automatically to a default *Target Retirement Date Option* based on your age.

Nevada Retirement Savings Program



Non-Target Date Investments Options

Category	Fund Name	Ticker
Capital Preservation Fund	State Street Institutional U.S. Government Money Market Fund	GVMXX
Bond Index Option	State Street Aggregate Bond Index Fund	SSFEX
U.S. Equity Option	BlackRock iShares Total U.S. Stock Market Index Fund	BKTSX
International Equity Option	BlackRock iShares MSCI Total International Index Fund	BDOKX

Default Investment Option: Contributions made during the first 30 days will be invested temporarily in the *Capital Preservation Fund*. After 30 days funds will be exchange automatically to a default *Target Retirement Date Option* based on your age.

Nevada Retirement Savings Program



Plan Comparison Features

Which Benefit Would You Like To Offer Your Employees?

Category	401(k)	NEST
Contribution Limit	\$23,500	\$7,000
Catch-up Contribution	\$7,500	\$1,000
Enhanced Catch-up (Age 60-63)	\$11,250	No
Pre-tax Contributions	Yes	No
Roth (After-tax)	Yes	Yes
Match Allowed	Yes	No
Employer Non-Elective	Yes	No
Loans	Yes	No
Investment Options	Broad Selection	Limited Selection
New Plan Tax Credits	Yes	No
Employer Contribution Tax Credit	Yes	No
Automatic Enrollment Tax Credit	Yes	No
Plan Portability	Yes	No

*For the 2025 tax year, the total contribution limit across all your IRAs – whether NEST, Roth, traditional is the \$7,000 and \$8,000 if you are 50 or older.

**81% of employees consider retirement plan benefits extremely valuable. They rank second in importance only to health benefits.

Nevada Retirement Savings Program



CAN YOUR STARTUP GET
A TAX CREDIT FOR
HAVING A 401(K)?

Secure 2.0 Start Up Credit Analysis For 10 NHCE Employees

Start-up Tax Credit (SEP/Simple/QRP): Covers 100% of employer's out-of-pocket plan costs up to the greater of \$500; or \$250 x NHCE, up to \$5,000 for the first 3 years.

➤ **Example:** $\$250 \times 10 = \$2,500$

Employer Contribution Tax Credit: Covers 100% of employer's contributions up to \$1,000 per NHCE making less than \$100,000 per year. The credit is 100% in the first 2 years, 75% in year 3, 50% in year 4, and 25% in year 5.

➤ **Example:** $\$1,000 \times 10 = \$10,000 / \$10,000 / \$7,500 / \$5,000 / \$2,500$

Automatic Enrollment Tax Credit: Employers can earn \$500 per year for the first 3 years for including an automatic enrollment feature in their plan setup.

Start-up Tax Credit Calculations					
Category	2025	2026	2027	2028	2029
Start-Up (3 Years)	\$2,500	\$2,500	\$2,500	\$0	\$0
ER Contribution (5 Years)	\$10,000	\$10,000	\$7,500	\$5,000	\$2,500
Automatic Enrollment (3 Years)	\$500	\$500	\$500	\$0	\$0
Totals	\$13,000	\$13,000	\$10,500	\$5,000	\$2,500

Nevada Retirement Savings Program



CAN YOUR STARTUP GET
A TAX CREDIT FOR
HAVING A 401(K)?

Secure 2.0 Start Up Credit Analysis For 10 NHCE Employees What about for a nonprofit 501(c)(3)?

Small Nonprofit Retirement Security Act

Overview

The Small Nonprofit Retirement Security Act is ***proposed legislation*** intended to make federal retirement plan tax credits more accessible to tax-exempt nonprofit organizations, specifically those classified as 501(c)(3) entities.

Key Provisions of the Proposed Bill

- Makes existing SECURE 2.0 tax credits ***refundable against payroll tax liabilities***.
- ***Retroactively*** applies credits to eligible plans adopted after ***SECURE 2.0's enactment on 12/29/22***.
- Targets small 501(c)(3) nonprofits that typically don't benefit from non-refundable income tax credits.


Nevada Retirement Savings Program



Plan Portability

ROLLOVER CHART



		Roll To							
		Roth IRA	Traditional IRA	SIMPLE IRA	SEP-IRA	Governmental 457(b)	Qualified Plan ¹ (pre-tax)	403(b) (pre-tax)	Designated Roth Account (401(k), 403(b) or 457(b))
Roll From	Roth IRA	Yes ²	No	No	No	No	No	No	No
	Traditional IRA	Yes ³	Yes ²	Yes ^{2, 7} , after two years	Yes ²	Yes ⁴	Yes	Yes	No
	SIMPLE IRA	Yes ³ , after two years	Yes ² , after two years	Yes ²	Yes ² , after two years	Yes ⁴ , after two years	Yes, after two years	Yes, after two years	No
	SEP-IRA	Yes ³	Yes ²	Yes ^{2, 7} , after two years	Yes ²	Yes ⁴	Yes	Yes	No
	Governmental 457(b)	Yes ³	Yes	Yes ⁷ , after two years	Yes	Yes	Yes	Yes	Yes ^{3, 5}
	Qualified Plan¹ (pre-tax)	Yes ³	Yes	Yes ⁷ , after two years	Yes	Yes ⁴	Yes	Yes	Yes ^{3, 5}
	403(b) (pre-tax)	Yes ³	Yes	Yes ⁷ , after two years	Yes	Yes ⁴	Yes	Yes	Yes ^{3, 5}
	Designated Roth Account (401(k), 403(b) or 457(b))	Yes	No	No	No	No	No	No	Yes ⁶

Employer Plan Design Considerations

Ask The Questions

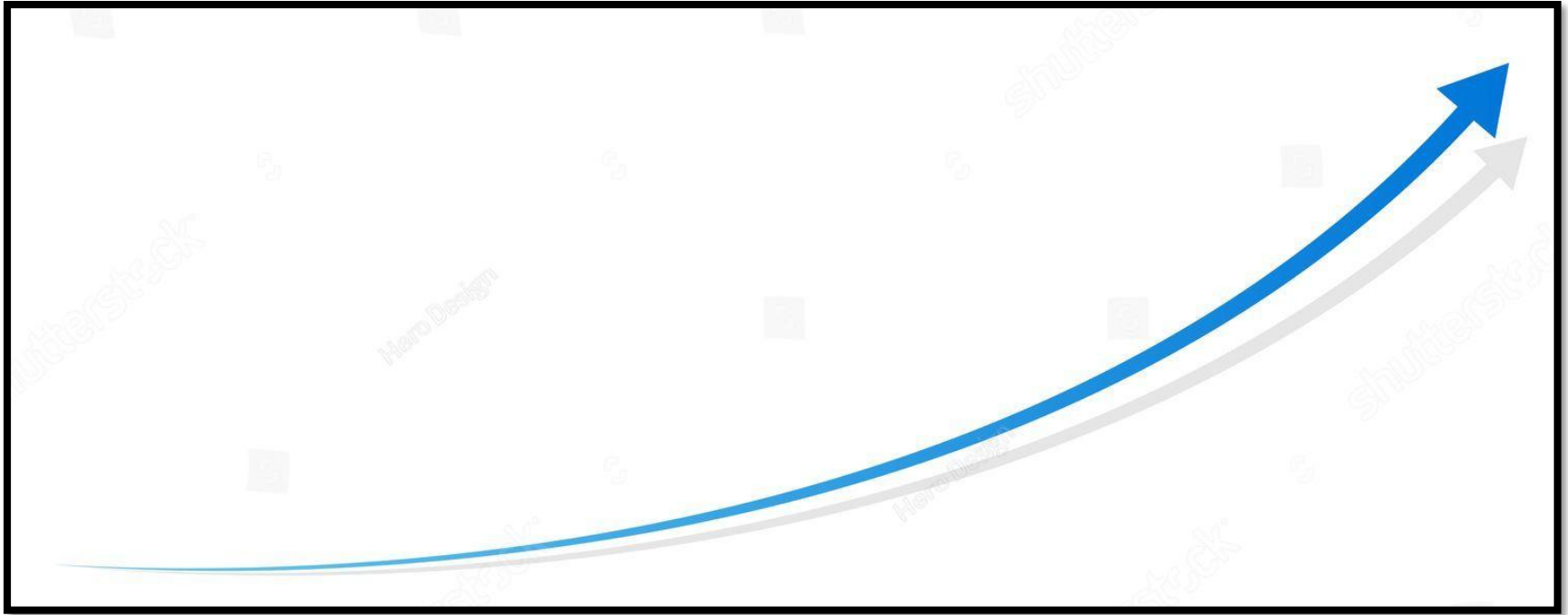


SCENARIO 1		
Only active employees		
ID	# OF EMPLOYEES	
1		29-Nov-2012
2 Baker		22-Mar-2014
3 Clark		19-Jul-2018
4 Davis		18-Jun-2002
5 Evans		04-Mar-2021

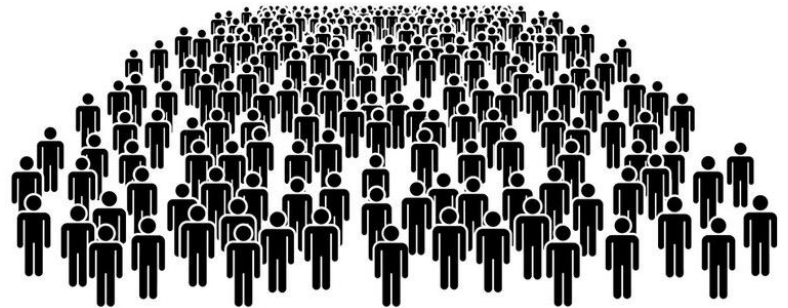


Plan Design Spectrum

Employer Costs to Employees (\$)



Number of Employees (#)



Business Owner Tax Plan

Employee Benefit Plan

Proposal Request Form 1st Page

Website Link To Form

PROPOSAL REQUEST

Today's Date: _____

Requested by: _____

Proposal for Plan Year: _____

Phone number: _____

This is for a: ☐ New Plan ☐ Takeover Plan

Email: _____

Client Profile:

Company Name: _____ Contact: _____

Phone: _____ Address: _____

Date Business Commenced: _____ Fiscal Yearend: _____

Type of Entity: ☐ C-Corp ☐ S-Corp ☐ Partnership ☐ Not-for-profit ☐ Sole Proprietor

☐ LLC (taxed as ☐ Corp/ ☐ Partnership) ☐ Other: _____

Primary business is _____

List owners, officers and ownership percentage:

Name:	% Owned	Name	% Owned
_____	_____	_____	_____
_____	_____	_____	_____

(If any of the above own an interest in another company, please indicate with an *)

Does the employer currently have a plan? ☐ No ☐ Yes Specify: _____

Additional comments about plan: _____

Are they interested in a specific plan? ☐ No ☐ Yes Specify: _____

Employer wishes to contribute approximately: \$ _____ per year.

The primary objective of the plan is (rate by importance 1-4, with 1 being first priority)

___ Tax Deduction ___ Employee Attraction/Retention ___ Employee Incentive ___ Creditor Protection

Are there other desires or concerns? Please explain: _____

The completed forms can be given to your consultant or sent to Chris Ressa at
cressa@nhhicks.com or FAX (530) 226-0272.

Proposal Request Form 2nd Page

CENSUS DATA FOR PROPOSAL PREFERRED IN EXCEL FORMAT

Company:

Contact:

Phone:

Entity:

Year End:

If you are requesting a Defined Benefit proposal, see note below for additional information needed.

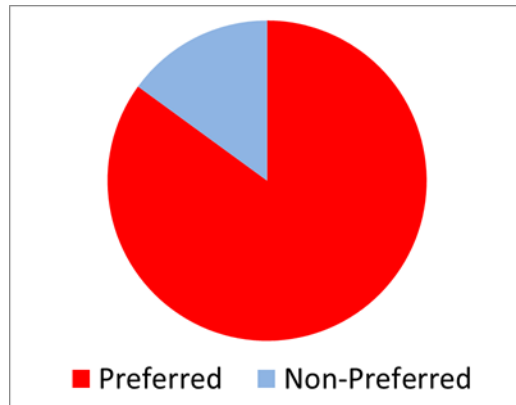
Owners & Employees	Birth Date	Hire Date	Total Annual Compensation	Annual Salary Deferral	1,000 Hours in Any Year	Term Date	Owner %, Officer, Family
Totals							

Note: If requesting a proposal for a Defined Benefit Plan, also provide us with the owners' compensations for the 3 prior calendar years. Compensation is W-2 for C and S-Corporations, Schedule C Net-Income for Sole Proprietor and K-1 Net-income for Partnership.

2025 4% SH Match Illustration

Participant Name	Age	Pay	Elective Deferral	Safe Harbor	%	Total
Preferred						
Owner 1	56	\$286,000.00	\$31,000.00	\$11,440.00	4.00%	\$42,440.00
Owner 2	60	\$286,000.00	\$34,750.00	\$11,440.00	4.00%	\$46,190.00
Preferred - Total		\$572,000.00	\$65,750.00	\$22,880.00		\$88,630.00
Non-Preferred						
EE 1	36	\$116,113.00	\$6,967.00	\$4,644.52	4.00%	\$11,611.52
EE 2	60	\$98,040.00	\$25,500.00	\$3,921.60	4.00%	\$29,421.60
EE 3	37	\$105,427.00	\$4,218.00	\$4,217.08	4.00%	\$8,435.08
EE 4	34	\$84,840.00	\$3,394.00	\$3,393.60	4.00%	\$6,787.60
Non-Preferred - Total		\$404,420.00	\$40,079.00	\$16,176.80		\$56,255.80

Net Allocations to Preferred - 84.6% to 100%



Owners Tax Summary

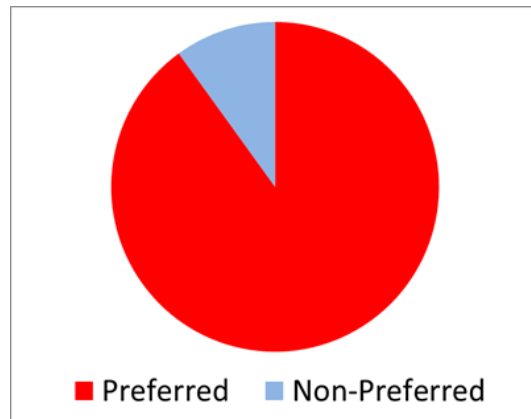
1. Employer's Combined Marginal Tax Rate:	35.00%
2. Total Deductible Employer Contribution:	\$104,806.80
3. Tax Benefit (1x2) :	\$36,682.38
4. After Tax Cost of Contribution (2-3) :	\$68,124.42
5. Total Allocations to Preferred:	\$88,630.00
6. Net Economic Benefit <Cost> (5-4) :	\$20,505.58

* SH Match plan automatically passes ADP Test and satisfies Top-Heavy Requirements.

2025 3% SHNEC Illustration

Participant Name	Age	Pay	Elective Deferral	Safe Harbor	%	Profit Sharing	%	Total
Preferred								
Owner 1	56	\$286,000.00	\$31,000.00	\$0.00	0.00%	\$25,740.00	9.00%	\$56,740.00
Owner 2	60	\$286,000.00	\$34,750.00	\$0.00	0.00%	\$25,740.00	9.00%	\$60,490.00
Preferred - Total		\$572,000.00	\$65,750.00	\$0.00		\$51,480.00		\$117,230.00
Non-Preferred								
EE 1	36	\$116,113.00	\$6,967.00	\$3,483.39	3.00%	\$0.00	0.00%	\$10,450.39
EE 2	60	\$98,040.00	\$25,500.00	\$2,941.20	3.00%	\$0.00	0.00%	\$28,441.20
EE 3	37	\$105,427.00	\$4,091.00	\$3,162.81	3.00%	\$0.00	0.00%	\$7,253.81
EE 4	34	\$84,840.00	\$2,915.00	\$2,545.20	3.00%	\$0.00	0.00%	\$5,460.20
Non-Preferred - Total		\$404,420.00	\$39,473.00	\$12,132.60		\$0.00		\$51,605.60

Net Allocations to Preferred – 90.6%



Owners Tax Summary

1. Employer's Combined Marginal Tax Rate:	35.00%
2. Total Deductible Employer Contribution:	\$129,362.60
3. Tax Benefit (1x2) :	\$45,276.91
4. After Tax Cost of Contribution (2-3) :	\$84,085.69
5. Total Allocations to Preferred:	\$117,230.00
6. Net Economic Benefit <Cost> (5-4) :	\$33,144.31

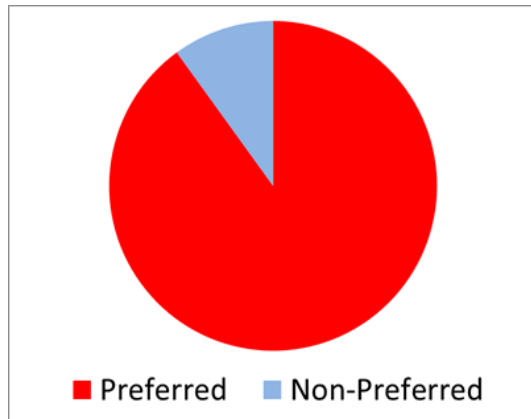
* SHNEC plan automatically passes ADP Test and satisfies Top-Heavy Requirements.

** Illustration passes both Minimum Gateway Contribution of one-third and Average Benefits Test.

2025 3% SHNEC Max Illustration

Participant Name	Age	Pay	Elective Deferral	Safe Harbor	%	Profit Sharing	%	Total *
Preferred								
Owner 1	56	\$286,000.00	\$31,000.00	\$0.00	0.00%	\$46,500.00	16.26%	\$77,500.00
Owner 2	60	\$286,000.00	\$34,750.00	\$0.00	0.00%	\$46,500.00	16.26%	\$81,250.00
Preferred - Total		\$572,000.00	\$65,750.00	\$0.00		\$93,000.17		\$158,750.00
Non-Preferred								
EE 1	36	\$116,113.00	\$6,967.00	\$3,483.39	3.00%	\$2,322.26	2.00%	\$12,772.65
EE 2	60	\$98,040.00	\$25,500.00	\$2,941.20	3.00%	\$1,960.80	2.00%	\$30,402.00
EE 3	37	\$105,427.00	\$4,091.00	\$3,162.81	3.00%	\$2,108.54	2.00%	\$9,362.35
EE 4	34	\$84,840.00	\$2,915.00	\$2,545.20	3.00%	\$1,696.80	2.00%	\$7,157.00
Non-Preferred - Total		\$404,420.00	\$39,473.00	\$12,132.60		\$8,088.40		\$59,694.00

Net Allocations to Preferred – 88.7%



Owners Tax Summary

1. Employer's Combined Marginal Tax Rate:	35.00%
2. Total Deductible Employer Contribution:	\$178,971.17
3. Tax Benefit (1x2) :	\$62,639.91
4. After Tax Cost of Contribution (2-3) :	\$116,331.26
5. Total Allocations to Preferred:	\$158,750.17
6. Net Economic Benefit <Cost> (5-4) :	\$42,418.91

* SHNEC plan automatically passes ADP Test and satisfies Top-Heavy Requirements.

** Illustration passes both Minimum Gateway Contribution 5% corridor and Average Benefits Test.

*** Discretionary Profit Sharing of \$8,088 can have up to a 6-year vesting schedule (0%,20%,40%,60%, 80%,100%).

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- Who's Covered
- Plan Features
- NEST vs 401(k) Comparisons
- Plan Design Illustrations



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Maria Rayas McPhee (720) 470-4245 maria.mcphee@empower.com

- o 10 years of retirement experience in service and sales
- o 4 years of leading Empower internal business resource group for Latin employees, focus on driving resources for Spanish speaking clients
- o Lifelong athlete, music lover, wife and mom

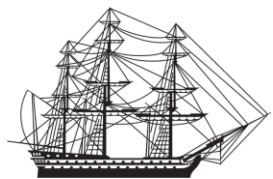
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