



City of Alabaster

Section 125 Plan Administration

Provided by
Anderson Williams McKinnis & Co. Inc.

Presented by
Byars Wright Insurance



Section 125 Services

Section 125 plans are a tremendous opportunity for you to enhance your benefits package. The Premium Only Plan (POP) is the building block of the Section 125 plan, allowing employees to pay group insurance premiums with pre-tax dollars. When you adopt a POP plan, your employees will save federal, state and FICA taxes on their contributions toward benefits. As their employer, you will save the FICA match on those contributions.

As your POP administrator, Anderson, Williams, McKinnis & Co. Inc (AWM)'s objective is to keep your plan in compliance with the requirements of the Internal Revenue Service and keep you apprised of events that may impact your plan. We accomplish this by providing plan documents and updating these documents as regulations dictate.

We can also provide the necessary enrollment materials required to implement the plan, and we perform annual non-discrimination testing to ensure that the benefits received under the plan meet IRS regulations.

Your Section 125 plan can include any combination of the following:

1. Health insurance plan premiums (employee paid portion) and other employer-sponsored insurance coverages, including dental insurance premiums, vision premiums, disability and accident benefits, and group term life insurance premiums
2. Flexible Spending Account (FSA) - Medical expenses not covered by insurance. Typical expenses include eyeglasses, medical examinations, insurance deductibles, prescription copays, and some over the counter items
3. Dependent Care Flexible Spending Account (DCAP) - Adult and child day care expenses - the cost to care for a dependent while the employee and spouse (if married) works
4. Health Savings Account (HSA) - Works like the FSA plan, but the participant must be enrolled in a High Deductible Health Plan

The portion of salary which an employee directs to the Section Plan is not taxed (the employee will not pay):

1. Federal income tax
2. State and local taxes (where applicable)
3. Social security tax (assuming the employee's salary is below the maximum social security wage base)

We are prepared to assist you in all aspects, including:

1. Design of your Plan and Summary Plan Description
2. Employee Election Forms
3. Employee Claim Forms
4. Adjudication of participant claims
5. Reimbursement of claims
6. Discrimination Testing

Set-up Includes:

- Plan Document (signature-ready)
- Summary Plan Description
- Employee election forms
- Employee enrollment

Basic Services Include:

- Adjudication of participant claims
- Discrimination Testing
- Employer Reports
- Direct Deposit Reimbursements
- Debit Card
- Participant portal available
- Mobile App available

Section 125 Services Fee Schedule

Plan Documents and Summary Plan Description <i>*For Premium Conversion Plan only</i>	\$ 350.00 onetime fee*
Plan Documents and Summary Plan Description For Spendable Plans	Included and delivered electronically
Monthly Administrative Fee Spendable Accounts (FSA/DCAP/HSA)	\$ 5.00 per participant per month
Replacement Debit Card Fee	\$ 5.00 per card
Enrollment Meetings	Initial enrollments meetings at one location within 100 miles of Birmingham AL included, additional locations \$175 per day plus travel expenses
Enrollment Materials	Included for standard materials delivered electronically. If requested, assembled kits can be provided at a cost of \$1.00 per kit
Postage	Included for standard mailings. Charges apply for overnight and expedited requests
Rate Guarantee	Two year
One Time Setup Fee	\$ 50.00
Minimum Monthly Fee	\$ 50.00
Information required for filing of annual Form 5500 (when required by IRS)	Included and delivered electronically
Discrimination Testing	Included in administration



Anderson, Williams, McKinnis & Co., Inc.

Who Are We?

Anderson, Williams, McKinnis & Company, Inc. (AWM) was founded in 1986, as a privately held Alabama corporation, dedicated to providing quality healthcare benefits, including Cafeteria plan administration. The Company has a strong background in the insurance industry as well as in Section 125, COBRA, HSA and HRA administration. Our staff has been chosen not only for the 100+ years combined experience in the insurance industry, but also for their desire to work as a team to provide superior service and support. Our management information system has been developed to assist AWM in providing timely and quality service for our clients. The AWM systems are very flexible and can be readily modified to meet the needs of our clients. AWM currently provides administration to over 250 employer groups across the country.

Anderson, Williams, McKinnis & Co., Inc. provides quality administrative services to those employers seeking an exceptional customer service relationship.