

# Improving Employee Retirement Readiness at Platte Valley Companies



## Innovative Match Approach Increases Participation

### Challenges

Prior to working with Castle Rock Investment Company (“Castle Rock”), Platte Valley Companies (PVC) provided a 6% discretionary company contribution regardless of employee participation. **This led to numerous employees contributing nothing.** Those contributing were doing so at a low deferral rate.

Employees were falling short of retirement readiness even with the employer contribution.

PVC wanted to continue contributing, but in a way that **encouraged employees taking an active role in saving to reach retirement readiness.**

### Results

Castle Rock and PVC developed a unique match approach to encourage employee participation while still demonstrating PVC’s commitment to helping their employees prepare for retirement.

- Participation Rate – 98% as of 6/30/2024 (up from 67%)
- Average Deferral Rate – 7%
- PVC nationally honored as a [\*Plan Sponsor of the Year\*](#) finalist

***“The company wants to help, but we are asking people to help themselves, too.”***

***- Jim Kozal, COO and CFO***

## Searching for New Solutions

PVC engaged Michele Suriano of Castle Rock in 2006 due to service issues with their current service providers. She conducted an in-depth analysis of the service providers that could administer PVC's 401(k)/ESOP and supported the conversion to the new provider throughout the fall of 2008.

The decision to change the company contribution strategy began in 2011 when Castle Rock produced a detailed analysis on the retirement readiness of the employees to determine if plan changes were necessary.

**Based on the data, the employees were falling short of retirement readiness even with the employer contribution, an issue that took PVC by surprise.**

PVC still needed a unique solution to both encourage employee participation and continue company contributions. **Together, Castle Rock and PVC were able to develop an innovative match approach that met both conditions.**

## Thinking Outside the Box

Castle Rock worked with the ESOP Committee to develop and implement the following unique match program:

- Employees receive a 3% safe harbor company contribution, regardless of participation
- PVC matches 50% of the first 5% of employee contribution
- If an employee increases their contribution to 6%, PVC offers a "super-match" of 150% of the final 1%

With the new program, an employee making a 6% contribution receives the initial 3% contribution from the company and a 4% match for a combined annual total contribution of 13%.

Castle Rock conducts one-on-one employee meetings at their 23 bank locations in Nebraska, Wyoming, and Colorado to ensure every employee has the individual advice they need to create a secure retirement. The in-person and virtual meetings help employees understand the plan better and convince them to take advantage of the extraordinary benefit available to them.

With these innovative solutions, participation and deferral rates increased dramatically.

***"[The new match] demonstrates the willingness of the company to try to do what is right for our associates."***

***- Jim Kozal, COO and CFO***

## Platte Valley Company Plan Today<sup>i</sup>

- Platte Valley Company nationally honored as a [2013 Plan Sponsor of the Year](#) finalist
- Participation Rate – 98%
- Average Employee Deferral Rate – 7%



Castle Rock Investment Company, formed in 2006, is an independent woman-owned SEC-registered investment adviser located in Castle Rock, Colorado. Castle Rock specializes in advising workplace retirement plans, including 401(a), 401(k), 403(b), 457, profit sharing, employee stock ownership, and defined benefit plans. [www.CastleRockPEP.com](http://www.CastleRockPEP.com)

Platte Valley Company is an integrated financial and insurance organization with locations in Nebraska, Wyoming, and Colorado.

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<sup>i</sup> Data as of June 30, 2024