

Issue 114 **Our Guild This Month** December 2005

"Dedicated exclusively to the retirement well-being of California dentists and their staffs"

870 Market St., Suite 845, San Francisco, CA 9410 2

Tel: (415) 434-9021/(800) 851-0008

Fax: (415) 434-9011

Starting in January 2006 Guild Offers Volume Submitter Plans

The Board of Directors is pleased to announce a new enhancement to the Guild service menu. We will now be offering **Volume Submitter Plans** directly through the California Dentists' Guild document.

Volume Submitter Plans refer to those plans that require outside "testing" in order to comply with certain IRS/DOL rulings. This means, that if you are currently using an outside pension consulting service or pension administrator, you will now have the opportunity to use Guild services for Defined Contribution Plans, Cross-Tested Plans, and Age-Weighted Plans at no additional cost.

There are a few obvious benefits:

- ➔ There will no longer be outside charges for tested plan services.
- ➔ There is one point of contact, the Guild Office.
- ➔ The cost of these services are included in your current record keeping fee of \$50 per participant per year.

You will no longer need to pay outside pension consulting fees! This benefit will become part of the Guild's regular service menu as of January 1, 2006.

The nature of the pension industry is constantly evolving and in order to provide the best service to our shareholders, we must adjust to the changing needs of our member Dentists.

The new service is effective January 1, 2006. Your Executive Director is devoted to the implementation of this service as well as committed to the pursuit of services benefiting our shareholders. This new enhancement underscores the Guild's vitality and credibility as we celebrate our **40th year of service** in 2006.

For more information, please contact Elizabeth E. Clark in the Guild office.

Annual Meeting of Shareholders 2006
Hotel MarMonte, Santa Barbara, CA
March 30th -April 2nd

As you know, Santa Barbara is the site for our 39th Annual Meeting of Shareholders. The invitations are coming soon, but hopefully you have reserved the dates, March 30th – April 2nd, 2006.

The hotel MarMonte is located directly across the street from a beautiful expanse of **Santa Barbara Beach**. Directly down the beach is the famous **Steers Warf**. Coincidentally, the Warf is located at the start of the infamous shopping area, State Street. On State Street you will find small local shops as well as some

Half a block away from the Hotel, is the **Santa Barbara Zoo** located right next to a beautiful park. The Zoo is wonderful in size and provides entertainment during an exercise walk yet perfect for children with a characteristically short entertainment span.

The **Museum of Art** is in the 1100 block of State Street. **The Mission, Botanical Gardens** and the **Museum of Natural History** are additional points of interest.

Look for your invitation in your January statement!
For hotel reservations contact: (805) 963-0744
www.hotelmarmonte.com

If you have any questions or comments, please contact:
Elizabeth E. Clark, Executive Director

E-mail: mail@cadentistsguild.org
Web site: www.cadentistsguild.org

Important Dates:

ALL Transactions *must* be received by 10:00 am
Transfers/Terminations—Friday, December 30, 2005
Contributions—Wednesday, December 28, 2005

2006 Dollar Limitations for Employee Benefit Qualified Plans and Social Security and Medicare Wage Bases and Tax Rates

Due to EGTRRA, some of the dollar limitations on benefits and contributions under tax-qualified plans have changed. Also, the IRS has announced the cost-of-living adjustments to the Social Security and Medicare age bases and tax rates for 2006. Some of the new limits are as follows:

401(k) Deferral Limit

The 2006 deferral limit will increase to \$15,000. The limit in 2005 was \$14,000.

Catch-up Contribution Limit

The limit for the 2006 Section 401(k) plans will increase to \$5,000. The 2005 limit was \$4,000.

Highly Compensated Employees

The 2006 salary threshold for highly compensated employees will increase to \$100,000. Note: This figure applies to compensation earned in 2006 which is used to determine HCE status for 2007. The 2005 limit used to determine HCE status for 2006 was \$95,000.

Defined Benefit Dollar Limit

The 2006 defined benefit dollar limit will increase to \$175,000. The limit in 2005 was \$170,000.

Defined Contribution Limit

The 2006 defined contribution dollar limit will increase to \$44,000. In 2005 it was \$42,000.

Compensation Limit

The 2006 compensation limit for qualified plans will increase to \$220,000. The 2005 limit was \$210,000.

Social Security and Medicare

The Social Security taxable wage base will increase to \$94,200. The limit in 2005 was \$90,000. Since the beginning of 1994, there has been no maximum taxable wage base for Medicare. All wages are subject to the Medicare tax. The tax rate for the OASDI portion will remain at 6.20 percent, with the Medicare portion remaining at 1.45 percent for a total tax rate of 7.65 percent.



Major Index Close: November 30, 2005
DJIA =10,960 SPX = 1261 Nasdaq = 2243

Major Index Close: October 31, 2005
DJIA =10,440 SPX = 1211 Nasdaq = 2120

QUALIFIED PLAN		As of 11/30/05
Fund	Unit Value	Asset Value
TKF	2.0093	1,769,376
HBF	12.5541	2,096,572
SIF	21.1816	3,121,644
FEF	21.4036	4,225,519
LGF	6.9091	1,472,895
SPF	9.4199	3,428,764
LVF	11.4597	1,115,924
VEF	395.5683	34,650,324
MIF	25.9870	5,676,700
REF	24.6136	4,370,769
AAF	160.1593	7,131,705
BIF	14.9112	3,682,105
GMF	11.0540	742,484
SAF	1.0000	6,154,858
CDF	1.0000	5,831,982

Total Qualified Retirement: \$85,471,621

IRA		As of 11/30/05
Fund	Unit Value	Asset Value
ITK	2.1121	324,706
IHB	11.1167	237,618
ISV	43.8902	2,473,429
ILG	6.9033	532,926
ISP	16.7677	1,288,831
ILV	13.0715	353,364
IRE	18.9149	986,841
IBP	28.0845	1,681,924
ISA	1.0000	1,581,514
IBF	10.2012	300,112

Total IRA: \$9,761,265
Total Qualified Retirement: \$85,471,621
Total Guild: \$95,232,886