

From: Human Resources
To: Office of Management & Budget
Date: January 15, 2019
Subject: Comparison of current Plan Document executed June 30, 2005 (“Eligible 457 Governmental Deferred Compensation Plan”, administered by Hartford Life Insurance) and proposed Plan Document, restated January 1, 2019 (“Pinellas County BOCC Deferred Compensation Plan”, administered by MassMutual)

Background

A separated Plan Participant with an Account Balance submitted a request to rollover funds into this Plan. To accommodate this request, a restated Plan Document was required (refer to Section 7.1 of the restated Plan Document).

While preparing a restated Plan Document on behalf of our Plan, MassMutual, the Plan Administrator, also added **Regulatory Provisions** (described below) into our Plan Document where required, as well as **Discretionary Provisions** (outlined below) where needed. Descriptions are detailed below accompanied by a comparison of the current Plan Document language from our 2005 document with the restated Plan Document proposed to become effective January 1, 2019.

Regulatory Provisions

The following regulatory provisions were required to be included in the restated 2019 Plan Document since the current Plan Document was enacted in 2005:

- Final 415 Regulations to reflect post-severance compensation payments made by later of 2 ½ months following severance from employment or end of calendar year in which severance from employment occurred. (*Refer to Section I, Definitions, Compensation, and Section 2.2 (a) Special Deferral Election of Sick, Vacation or Back Pay*)
- Pension Protection Act to reflect Minimum Distribution Rules reflecting Final Regulations, including the special waiver provision applicable to 2009, and Direct Rollovers to Roth IRAs. (*Refer to Section 6.6 (f), Special Provision Applicable to 2009 Required Minimum Distributions*).
- Worker, Retiree, and Employer Recovery Act to reflect Non-spouse Beneficiary Rollover to Inherited IRA. (*Refer to Section 6.9 (c)*)
- Heroes Earnings Assistance and Relief Act to reflect survivor provisions for participants who die while performing qualified military service with additional benefits (other than accruals) that would have been provided under the plan had the participant been reemployed by employer and then terminated (types of benefits include accelerated vesting, ancillary life insurance and other survivor benefits contingent on a participant’s termination of employment on account of death), ceasing deferrals after withdrawals while on active duty and compensation to reflect differential wage payments. (Refer to Section 6.3, Distributions on Account of Participant’s Death, last paragraph).

Discretionary Provisions

Please note the following Plan Document Preparation Service Elections requested September 6, 2017 that necessitate Plan Document language modifications:

2. Document Services: Request submitted to MassMutual to provide us with specimen Plan Documents in Word format that we may modify.

9. Rollover Contributions: Employees eligible to make rollover contributions include: Participants who are employees and terminated employees with an account balance.

11. Qualified Distributions for Retired Public Safety Officers: Yes, qualified distributions are permitted for direct payment of health insurance premiums for eligible retired public safety officers.

12. Withdrawal Due to Qualified Military Services: Yes, allow “deemed severance distributions” for employees absent due to qualified military service between 30-179 days (deferrals suspended for 6 months), and, Yes, allow “qualified reservist distributions” for employees absent due to qualified military service for 180 days or more (deferrals not suspended for 6 months).

13. Involuntary Cashout Distributions: A. Employed Participant Involuntary Cashouts: \$1,000, and B. Terminated Participant Involuntary Cashouts: \$1,000.

Side-by-Side Comparison of Plan Document Sections and Provisions (2019 vs. 2005 documents):

Note: the addition of a new section, Section V, Loans, in the proposed 2019 restated Plan Document has impacted subsequent Section numbering.

Proposed 2019 Restated Plan Document	2005 Enacted Plan Document	Notes
PREAMBLE, page 1	Preamble, page 1	
SECTION I - DEFINITIONS 2	Section 1, Definitions: Page 1	
1.1 Plan Definitions pages 2-5	1.1 Plan Definitions, Pages 1-3	
SECTION II - PARTICIPATION AND CONTRIBUTIONS Page 6-8	Section 2 – Participation and Contributions, Page 3-4	
2.1 Eligibility Page 6	Page 3	
2.2 Election Page 6	Page 3	Section 2.2 (a) of 2019 Plan Document is Section 2.9 in 2005 Plan Document
2.3 Commencement of Participation Page 6	Page 3	
2.4 Amendment of Annual Deferral Election, Investment Direction, or Beneficiary Designation, 7	Section 2.6, page3	
2.5 Information Provided by the Participant Page 7	2.4 on page 3	
2.6 Contributions Made Promptly Page 7	2.5 on page 3	
2.7 Employer Contributions Page 7	2.10 on page 3	
2.8 Leave of Absence Page 7	2.7 on page 3	
2.9 Disability Page 7	2.8 on page 4	
2.10 Protection of Persons Who Serve in a Uniformed Service Page 8	Section 3.6, page 6	2005 Plan Document Section 3.6 was renumbered to Section 2.10 in restated 2019 Plan Document. Second paragraph added to 2019 Plan Document
2.11 Corrective Measures Page 8	Not Included in 2005	New provision added to 2019 Plan Document to correct administrative error (if needed).
SECTION III - LIMITATIONS ON AMOUNTS DEFERREDPage 9-11	Section 3 – Limitations on Amounts Deferred, Page 4	
3.1 Basic Annual Limitation. Page Page 9	Section 3.1, Page 4	
3.2 Age 50 Catch-up Annual Deferral Contributions Page 9	Section 3.2, Page 4	
3.3 Special Section 457 Catch-up Limitation Page 9	Section 3.3, Page 4	

Proposed 2019 Restated Plan Document		2005 Enacted Plan Document	Notes
3.4	Special Rules Page 10	Section 3.4, Page 6	
3.5	Correction of Excess Deferrals Page 11	Section 3.5, Page 6	
		<i>§ 3.6 Protection of Persons who serve in a Uniformed Service, page 6 moved to Section 2.10 within 2019 Plan Document</i>	
SECTION IV - INVESTMENT RESPONSIBILITIES Page 12		Section 4 – Investment Responsibilities, Page 7	
4.1	Investment of Deferred Amount Page 12	Page 7	
4.2	Investment Election for Future Contributions Page 12	New	
4.3	Investment Changes for an Existing Account Balance..... Page 12	Page 7	
4.4	Investment Responsibility .. Page 12	Page 7	
4.5	Default Investment Fund (NEW) Page 12	No language in current document	Section 4.5 of 2019 Plan Document is new language added into our Plan Document
4.6	Statements..... Page 13	§ 4.5, Page 7	
SECTION V - LOANS Page 14		No Loan Provision language within current Plan Document enacted 2005. No loans are currently permitted.	MassMutual is not able to administer a loan provision for Plan participants. Any loan provision would have to be self-administered and repaid through payroll deduction. ICMA, Nationwide, and VALIC offer a loan provision and enable Plan participants to repay their loan via ACH Debit with participant’s bank account.
5.1	No Loans Page 14	No Change from current.	
SECTION VI - DISTRIBUTIONS Page 15		§ 5 – Distributions, page 7	
6.1	Distributions from the Plan. Page 15	§ 5.1 replaced by new Section 6.1	
6.2	Benefit Distributions Upon Severance from Employment .. Page 15	§ 5.1 of 2005 Plan Document aligns with 2019, Section 6.2	
6.3	Distributions on Account of Participant's Death 16	§ 5.4	
6.4	Distribution of Small Account Balances Without Participant's Consent 16	§ 5.5, page 7, changed to Section 6.4 in 2019 Plan Document	
6.5	Forms of Distribution 17	§ 5.3	Section 6.5 of 2019 Plan Document is documented as

		Section 5.3 in current 2005 Plan Document.
Proposed 2019 Restated Plan Document	2005 Enacted Plan Document	Notes
6.6 Minimum Distribution Requirements.....17	§ 5.4	
6.7 Payments to Minors and Incompetents.....23	§ 11.5 in current document	
6.8 Procedure When Distributee Cannot Be Located23	§ 11.6 in current document	
6.9 Direct Rollover24	§ 5.12	
6.10 In-service Distributions24 (a) Unforeseeable Emergency Distributions (b) De minimis Account Balance Distributions (c) Rollover Account Distributions (d) Age 70 ½ Distributions (e) Qualified Military Service Deemed Severance Distributions (f) Qualified Military Reservist Distributions	§ 5.9 and 5.10	
6.11 Qualified Distributions for Retired Public Safety Officers (NEW)24	Not in current document	
SECTION VII - ROLLOVERS AND PLAN TRANSFERS28	§ Section 6 – Rollovers and Plan Transfers	
7.1 Eligible Rollover Contributions to the Plan.....28	§ 6.1 in current document	This Section was expanded in the proposed 2019 Restated Plan Document to allow a separated participant, (e.g., retired employee), with an Account Balance to rollover contributions to the Plan.
7.2 Plan-to-Plan Transfers to the Plan.....28	§ 6.2	
7.3 Plan-to-Plan Transfers from the Plan.....29	§ 6.3	Language was expanded in the new 2019 document to better describe transfers.
7.4 Permissive Service Credit Transfers30	§ 6.4	Language was expanded in the new document to better describe Permissive Service Credit Transfer protocols.
SECTION VIII - BENEFICIARY31	§ 7 - Beneficiary	
8.1 Beneficiary Designation31	§ 7.1	

Proposed 2019 Restated Plan Document	2005 Enacted Plan Document	Notes
SECTION IX - ADMINISTRATION AND ACCOUNTING32	§ 8 – Administration	
9.1 Administrator.....32	§ 8.1	
9.2 Administrative Costs32	§ 8.2	
9.3 Paperless Administration (NEW) Page 32	Not in current document	This Section was added to describe paperless administration procedures such as telephonic and electronic media to satisfy notice requirements, conduct transactions, etc..
SECTION X - AMENDMENTS.....34	§ 9 – Amendments	
10.1 Amendment34	§ 9.1	
10.2 Conformation.....34	§ 9.2	
10.3 Plan Termination34	§ 9.3	Two additional sentences were added to the proposed 2019 document to clarify Participants’ rights under the Plan.
SECTION XI - TRUST FUND.....35	§ 10	
11.1 Trust Fund.....35	§ 10.1	
SECTION XII - MISCELLANEOUS.....36	§ 11 - Miscellaneous	
12.1 Non-Assignability.....36	§ 11.1	
12.2 Domestic Relation Orders.....36	§ 11.2	
12.3 IRS Levy.....36	§ 11.3	
12.4 Mistaken Contributions36	§ 11.4	
12.5 Employment.....37	§ 11.7	
12.6 Successors and Assigns37	§ 11.8	
12.7 Written Notice37	§ 11.9	
12.8 Total Agreement37	§ 11.10	
12.9 Gender37	§ 11.11	
12.10 Controlling Law.....37	§ 11.12	
SECTION XIII - SUPERSEDING PROVISIONS (NEW) Page 38	Not Included in 2005 Plan Document	Expands Definitions section with respect to Employer and Participating Employers.