



Finance Received

Tel 602-266-2733 x 9  
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MAY 25 2023

Accounting 1

Re: Communication Regarding Public Safety Members' Enrollment in State Sponsored ASRS SSDP Deferred Compensation 457 Plan

Dear Plan Sponsor:

Although it became law on September 24, 2022, we just recently became aware of a change that prohibits any member of a Public Safety Personnel Retirement Plan (PSPRS, CORP, EORP, EODCRS and PSPDCRP) from participating in the ASRS SSDP Deferred Compensation 457 Plan that you currently have established for your employees to save additional supplemental dollars for their retirement.

State of Arizona Laws 2022, Chapter 145, which was originally named SB 1083, was passed in the 2022 Legislature and signed into law by Governor Ducey. This statute is included in this mailing for reference; see page 39, section 19, 38-781, F. lines 25-31. This means any Public Safety member that enrolled into the ASRS SSDP 457 plan prior to this date is allowed to continue in this plan (grandfathered), but anyone post this date will not be able to participate in the ASRS SSDP 457 plan any longer and will have to enroll in the PSPRS 457 Plan.

Our recommended solution as the plan administrator for both plans is for you to add the PSPRS 457 Plan as a side-by-side option and delineate civilian employees to the ASRS SSDP 457 plan and Public Safety employees to the PSPRS 457 Plan. Both the ASRS SSDP and PSPRS 457 plans are State-level plans with economy-of-scale pricing and have respective Deferred Compensation Committee oversight and fiduciary services provided by ASRS and PSPRS. The PSPRS 457 Plan sponsor enhancement letter and enabling documents are included in this mailing.

We are happy to assist you with this adoption process and answer any additional questions you may have or work with you to complete the necessary paperwork. Once we establish the new PSPRS 457 Plan on our system for your entity, we will work with you to determine any Public Safety employees that enrolled into the ASRS SSDP 457 plan post September 24, 2002, and then move those individuals over to the PSPRS 457 plan as required by law prior to the end of this calendar year.

We will be holding an informational presentation titled "ASRS 457 Plan Eligibility Announcement" on Wednesday, May 31 at 8:00 am, Noon and 4:00 pm to provide more details. Please follow this link to RSVP for one of the three times.

Link: <https://bit.ly/asrs457announcement>

Sincerely,

Jim Keeler  
Executive Relationship Manager  
Nationwide Retirement Solutions (NRS)

COCHISE COUNTY HR  
MAY 30 '23 PM3:32

## **Participating Employer Addendum for Cochise County**

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This Addendum to the Plan document for the Cochise County Eligible Governmental 457(b) (the "Plan") is adopted by Cochise County ("Employer"), effective the 8th day of August, 2023.

**WHEREAS**, Employer previously adopted the Cochise County Eligible Governmental 457 Plan on the 17 day of September, 2015, whereby Employer agreed to establish an eligible deferred compensation plan as defined in section 457(b) of the Internal Revenue Code of 1986, as amended; and

**WHEREAS**, Employer desires to include this Addendum to add language to the Plan Document to allow for multiple affiliated employers to join the Plan as established by the Employer.

**NOW THEREFORE**, the Employer hereby includes in the Plan Document the following language:

1.41 "**Eligible Employer**" means the following: (i) the Employer's agencies, departments, subdivisions or instrumentalities, or any combination of the foregoing; (ii) a School Employer; and (iii) a Public Employer.

1.42 "**Joinder Agreement**" means the agreement prescribed by the Employer by which a Participating Employer adopts the Plan as provided in Article X.

1.43 "**Participating Employer**" means an Eligible Employer that adopts this Plan pursuant to Article X. Such Participating Employer shall be subject to and bound by the terms and provisions of this Plan.

1.44 "**Public Employer**" means a city, county, urban county government, political subdivision or their departments, agencies, instrumentalities, governmental units or any combination of the foregoing of the Employer, for which services are performed by a Participant or Independent Contractor, where applicable.

1.45 "**School Employer**" means the Employer's public educational institutions for which services are performed by a Participant or Independent Contractor, where applicable.

### **ARTICLE X PARTICIPATING EMPLOYERS**

10.1 Addition of Participating Employer. Any Eligible Employer may adopt the Plan and Trust and become a Participating Employer hereunder by executing a Joinder Agreement as approved by the Employer. Such Eligible Employer will become a Participating Employer as of the effective date provided in the Joinder Agreement and will be subject to the terms and provisions of the Plan and Trust.

10.2 Withdrawal from Plan and Trust by Participating Employer. A Participating Employer requesting to withdraw from the Plan and Trust shall deliver to the Employer a resolution or action of its governing body which authorizes its withdrawal as a Participating Employer and its termination of the Joinder Agreement. Notice of such withdrawal must be received by the Employer six months prior to its effective date unless such notice period is waived in writing by the Employer. The Employer may at any time, in its discretion, determine that a Participating Employer will no longer participate in the Plan and Trust and may direct the Participating Employer to withdraw from the Plan and Trust. The Employer shall determine the effective date of any withdrawal under this Section.

10.3 Participant Transfer from Employer or Participating Employer. A Participant who transfers employment from one Participating Employer or the Employer to another Participating Employer or the Employer shall be considered to have Severance from Employment with respect to the Participating Employer or the Employer that the Participant transferred employment from. Such Participant will continue to be a Participant in this Plan with the new Participating Employer or Employer without interruption.

10.4 Freeze and Spin-off. If a Participating Employer withdraws from the Plan ("Withdrawing Employer"), the provisions of this Section will apply. Assets of Participant Accounts may remain after withdrawal, and Participant Accounts will be administered in accordance with this Section and such other terms and conditions established by the Employer, including but not limited to, the following:

- (1) The Employer and the Withdrawing Employer shall enter a written freeze agreement to set forth the terms of administration during the freeze.
- (2) The Employer will not accept any Deferral Contributions or transfers, including, but not limited to, Normal Retirement Age Catch-up Contributions.
- (3) During freeze, Participants may make loan repayments and new loans may be initiated in accordance with Employer loan procedures.
- (4) The Employer may adjust any Plan administrative fee imposed on the Participant Accounts of the Participants of the Withdrawing Employer.
- (5) Frozen Participant Accounts may be spun-off and transferred by a trustee-to-trustee transfer to another plan of the Withdrawing Employer at such time and under such conditions as determined by the Employer and in accordance with the Code and its regulations. Investments of affected Participant Accounts upon spin-off will be liquidated, and transfer of assets will be made in cash. Provided, however, loans will be transferred in-kind to the transferee plan. The Employer has the power to effect and implement approval and timing of any spin-off made pursuant to this Section.
- (6) Except as revised in accordance with this Section, remaining Plan terms and provisions will apply with respect to Participant Accounts during the freeze.

10.5 Inapplicability of Article IX. Unless otherwise permitted in Article X of the Plan Document, Sections 9.01, 9.02, and 9.03 of the Plan are inapplicable to any Participating Employer.

10.6 Application of Provisions to Participating Employers. Any reference to Employer includes any Participating Employer, where appropriate.

**Acceptance of Addendum.** The Employer acknowledges that it has decided to include the language above in the Plan and is instructing NRS to administer the Plan in accordance with this language as of the effective date written above.

Employer Name ("Employer"):	<b>Cochise County</b>
Street Address:	<b>1415 Melody Lane, Building G</b>
City, State, Zip Code:	<b>Bisbee, AZ 85603</b>

Plan Name ("Plan"):	<b>ASRS Cochise County 457B Plan</b>
Plan Number:	<b>0037005001</b>
Employer Signature:	
Title:	<b>Chairman</b>
Date of Signature:	<b>August 8, 2023</b>
Email Address of Signer:	<b>pjudd@cochise.az.gov</b>

**PSPRS 457(b) PLAN ADOPTION AGREEMENT**

Participating Employer Name: Cochise County

Legal Plan Name: PSPRS Cochise County 457B Plan

The undersigned, by executing this Adoption Agreement, elects to become a Participating Employer in the Plan identified above, as if the Participating Employer were a signatory to that Plan Document. The Participating Employer accepts and agrees to be bound by all of the elections granted under the provisions of the Plan as made by the Plan Sponsor.

The effective date of the Plan for the Participating Employer is: August 8, 2023

**IN WITNESS WHEREOF**, the parties hereto have executed this Joinder Agreement effective as of the effective date above. Upon execution of this Joinder Agreement, eligible employees of the Participating Employer are permitted to begin Contributions into the Plan as of the effective date.

Participating Employer Name: Cochise County

Authorized Signatory Name: Peggy Judd

Authorized Signatory Signature: \_\_\_\_\_

Title: Chairman

Date: August 8, 2023

**Acceptance by the Plan Administrator on the Adoption Agreement**

Plan Administrator or Designee: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_