

RESOLUTION

ROCK COUNTY BOARD OF SUPERVISORS

Amy Spoden, Assistant Human
Resources Director
INITIATED BY



6/22/2022
DATE DRAFTED

Restatement Of Qualified Retirement Plan

WHEREAS, the Rock County has maintained the Rock County, WI 401(a) Plan (“Plan”) since 1-1-2003 for the benefit of eligible employees; and,

WHEREAS, the Rock County is restating the above-referenced Plan to comply with the requirements of the 2017 IRS Cumulative List (IRS Notice 2017-37), the American Taxpayer Relief Act of 2012, the Tax Cuts and Jobs Act of 2017 and other applicable guidance (collectively referred to herein as the Cycle 3 restatement); and,

WHEREAS, the Rock County wishes to affirm the appointment of Pelion Benefits, Inc. Christine L Chnupa 888.532.7526 www.pelionbenefitsinc.com as Trustee(s) of the Plan; and,

WHEREAS, Rock County is authorized to execute the restated Plan document and perform any other actions necessary to implement the adoption of the Plan restatement. Rock County may designate any other authorized person to perform the actions necessary to adopt the Plan restatement. A copy of the Plan shall be retained in the business office of Rock County; and

WHEREAS, Rock County will act as administrator of the Plan and will be responsible for performing all actions necessary to carry out the administration of the Plan. Rock County may designate any other person or persons to perform the actions necessary to administer the Plan; and

WHEREAS, Plan participants shall be provided with a summary of the Plan provisions within a reasonable period of time following the adoption of the restated Plan.

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors duly assembled this 14th day of July, 2022, hereby adopts the Rock County WI 401(a) Plan as the complete Cycle 3 restatement of the prior Plan, to be effective on 1-1-2022.

FISCAL NOTE:

No fiscal impact.

Sherry Oja
Finance Director

LEGAL NOTE:

The County Board is authorized to take this action pursuant to §§ 59.01 & 59.51, Wis. Stats.

Bridget Laurent
Deputy Corporation Counsel

ADMINISTRATIVE NOTE:

Recommended.

Josh Smith

County Administrator

Committee Action

County Board Staff Committee

County Board Staff Committee recommended this resolution for approval by a unanimous voice vote. Supervisor Wilson was absent.

Finance Committee

County Board Finance Committee recommended this resolution for approval by unanimous voice vote.

Executive Summary

Restatement of Qualified Retirement Plan

Under the IRS pre-approved plan program, the IRS reviews and approves plan provisions approximately every six years. This allows the IRS to ensure that the Plan reflects new laws and regulations that affect tax qualified plans. After the IRS approves the pre-approved plan provisions, it requires that all employers that have adopted the plan execute a new plan document, commonly called a plan restatement. In recent years, Congress has enacted a number of new laws affecting tax qualified retirement plans. The IRS also has issued substantial guidance regarding the operation of qualified plans. Congress and the IRS have generally permitted employers to comply with these new rules in operation without formally amending the underlying Plan document until some date after the law is effective. As indicated above, the IRS is now requiring all qualified plans to be restated to comply in form with the new laws and guidance. This restatement is being collectively referred to as Cycle 3.

The IRS has announced that employers who use a pre-approved plan document, such as yours, must restate their Plans **no later than July 31, 2022**. If a Plan is not restated and signed by July 31, 2022, it may lose its qualified status and could subject your company to substantial tax sanctions.

The new document has been updated to address updated laws and IRS guidance, including, but not limited to:

- Rules expanding In-Plan Roth Conversions of otherwise no distributable amounts.
- Final regulations providing for a limited modification of the required minimum distribution rules for tax qualified defined contribution plans holding Qualifying Longevity Annuity Contracts.
- Clarifying change relating to the application of same-sex marriage rules.
- Final regulations providing guidance on mid-year changes to Safe Harbor 401(k) Plans.
- Qualified Natural Disaster Relief provided by the IRS, including, but limited to, Louisiana storms, Hurricane Matthew, Hurricane Irma, Hurricane Maria and California Wildfires.
- Revised disability claims procedures as provided by the Department of Labor (DOL).
- New rules extending the rollover period for Qualified Plan Loan Offset Amounts.