

EXECUTIVE SUMMARY

Hillsborough City School District has been sponsoring an eligible deferred compensation plan within the meaning of Section 457(b) of the Internal Revenue Code of 1986 since January, 2002. The plan permits salaried and positioned employees to enter into an agreement which provides for deferral of payment of a portion of the employees' compensations until death, retirement, severance from employment, or other event, in accordance with the provisions of the Code Section 457(b), with other applicable provisions of the Code, and in accordance with the General Statutes of the State. The plan was amended and adopted by the Board on February 14, 2014.

Currently the District is its 457(b) plan sponsor as well as plan administrator and employees only have the option of investing their funds in Empower Retirement, which recently acquired MassMutual, through administrative services provided by Hartford Life Insurance Company. Resolution 2021-02 allows the District to add American Fidelity as an additional plan provider to the employees and additionally, to use Admin Partners as the Third Party Administrator to disburse funds and ensure plan compliance. Enclosed are the District's service agreement and plan adoption agreement with Admin Partners.

Staff reached out multiple Third Party Administrators for proposals and received three, among which Admin Partners' proposal is the most competitive and best meets the District's needs. Besides the one-time plan consultation, design, and preparation fee of \$375, Admin Partners charges the District \$100 annually and \$2.00 per active plan participant per month for maintaining the plan, the latter fee potentially picked by American Fidelity and/or Empower Retirement.

It is recommended the Board approve Resolution 2021-02 Amending and Restating the District's existing 457(b) Deferred Compensation Plan.