



Palm Beach First Responders Foundation Plan Design Summary

A separate 501(C)-3 created by the Palm Beach Police & Fire Foundation

1. Plan Start Date: January 1, 2021

- First contribution being mid-2022 for 2021 Plan Year and each subsequent year will follow the same contribution timing

2. Foundation/Town Agreement

- Agreement between Town and Foundation deeming Foundation as Plan Sponsor
- Foundation will facilitate establishment of the Plan for all Police and Fire Department employees

3. Eligible Employee and Exclusions

- Police and Fire Department employees age 18 and over and who have completed 1 year of service
- Individuals who are participating in the Deferred Retirement Option Program under the Town of Palm Beach Employees Retirement System (DROP participants) will be excluded
- In accordance with federal law, highly compensated employees (those earning more than \$130,000 per year) will be placed in separate classes and may not receive an allocation, based on annual nondiscrimination testing.
- Any leased employee, independent contractor, seasonal employee or any other employee paid by an outside third party will be excluded

4. Design formula

- Discretionary employer contributions only (no employee contributions) based on a flat % of salary to be determined each year and based on Foundation funding
- Six-year graded vesting schedule beginning at the start of the Plan (no prior service)
- Participant-directed investment choices

5. Restriction on money

- No hardship distributions allowed
- No loans allowed
- Money becomes available as soon as administratively feasible after separate from service
- Money can be rolled over to IRAs.

