



Meeting Date: January 9, 2019

Report Type: Discussion

Defined Contribution Plans Committee

Historic City Hall, Hearing Room

915 I Street

www.CityofSacramento.org

Title: Defined Contribution Plans Investment Advisory Consultant Services

Location: Citywide

Recommendation: Pass a motion recommending 1) staff draft a Request for Proposals for the services of an investment advisory consultant for the City's defined contribution plans and 2) staff present the draft Request for Proposals to the Committee at their April 3, 2019, meeting.

Contact: Samantha Wallace, Human Resources Manager, (916) 808-7657, Department of Human Resources

Presenter: Samantha Wallace, Human Resources Manager, (916) 808-7657, Department of Human Resources

Department: Human Resources

Division: Human Resources Administration

Dept ID: 08001011

Attachments:

01 Description/Analysis

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Issue Detail: The City currently contracts with Nationwide Retirement Solutions and ICMA-RC to administer the City's 401(a), 457(b), and Retiree Health Savings accounts. The City has a fiduciary responsibility to oversee the governance of the plans and analyze plan investment menus and fee structures. During the 2017 and 2018 meetings of the deferred compensation working group, members of the group expressed interest in obtaining the services of an investment advisory consultant for the City's deferred compensation plans. The cost of the consultant would be paid for by an increase in basis points charged to 401(a) and 457(b) plan participants.

While a funding source for an investment advisory consultant has not been achieved at this time, staff feels the process of drafting a Request for Proposals (RFP) for consultant services should start now due to the amount of time it takes to conduct an RFP and review proposals submitted. A draft of the RFP will be presented to the Committee at their meeting on April 3, 2019, for review and discussion.

Policy Considerations: None.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: In accordance with City policy AP-4102, a Request for Proposals is required for the City to obtain the services of an investment advisory consultant.

Financial Considerations: The cost for a consultant will have to be funded by plan participants and not the City.

Local Business Enterprise (LBE): None.