

**AGENDA BILL**

**Beaverton City Council  
Beaverton, Oregon**

**SUBJECT:** Contract Award – 457(b) Deferred  
Compensation Plan Administration  
Services

**FOR AGENDA OF:** 12-05-17 **BILL NO:** 17235

**Mayor's Approval:** *Denny Desh*

**DEPARTMENT OF ORIGIN:** HR *on*

**DATE SUBMITTED:** 11-28-17

**CLEARANCES:** CAO *Rue*  
CA *W. Kin*  
Finance *McClary*  
Purchasing *L. Muralt*

**PROCEEDING:** CONSENT AGENDA  
(CONTRACT REVIEW BOARD)

**EXHIBITS:** 1. Evaluation Matrix & Scoring

**BUDGET IMPACT**

EXPENDITURE	AMOUNT	APPROPRIATION
REQUIRED \$0	BUDGETED \$0	REQUIRED \$0

**RECOMMENDED ACTION:**

Council, acting as Contract Review Board:

- (1) Authorizes the award of a contract in a form approved by the City Attorney to ICMA Retirement Corporation of Washington, D.C., to serve as the City's 457(b) deferred compensation plan administrator for an initial term of seven years, renewable for one additional term of up to three years;
- (2) Authorizes Jennifer Marston, Human Resources Director, to execute and deliver all plans, documents, instruments and contracts as are necessary on behalf of the City to enter into the agreement contemplated by the award of a contract to ICMA Retirement Corporation for deferred compensation plan administrative services and to otherwise administer the City's deferred compensation plan.

**HISTORICAL PERSPECTIVE:**

Deferred compensation plans described in Internal Revenue Code (IRC) section 457(b) are available for certain state and local governments and non-governmental entities tax exempt under IRC Section 501. The City offers its employees a 457(b) deferred compensation plan as part of the City's benefits package. The City does not match or contribute to its employees' 457(b) retirement savings.

The City first adopted a 457(b) deferred compensation plan in 1983 (by Resolution 2436). That plan was superseded by a successor plan adopted in 1998 (by Resolution 3455). That plan, as amended from time to time since 1998, is the City's current 457(b) deferred compensation plan.

Since 1998, Great West Insurance Company (now Empower) has been the City's deferred compensation plan administrator. The City's 457(b) plan administrator contract with Empower expires 12/31/2017.

**INFORMATION FOR CONSIDERATION:**

A Request for Proposal (RFP) for 457(b) deferred compensation plan administration services was issued and advertised in the Daily Journal of Commerce on August 11, 2017. Ten firms or individuals viewed and/or downloaded the RFP from the City's website. The City received seven (7) proposals on August 28, 2017.

Staff evaluated the proposals based on criteria that included the history of the organization; recordkeeping, administrative and education services; transition management; investment platform; trust and custody services; and fees. The City selected the top three proposers to interview: Mass Mutual of Springfield, MA, ICMA Retirement Corporation of Washington, D.C., and Empower Retirement of Greenwood Village, CO. After interviewing the three firms, staff determined that the ICMA proposal best meets the evaluation criteria as shown on the attached evaluation and scoring matrix.

457 (b) Plan Administrat. Services RFP #3255-18

FINAL SCORING 11/13/17

Exhibit 1

Category	Organization	Recordkeeping Admin/Education	Transition Management	Investment Platform	Trust & Custody	Fee	Additional Services	Total Pts Points	Final Ranking
Points	5	65	10	25	5	35	5	150	

Mass Mutual	5	60	10	25	5	21	5	131	2
Empower	4	50	5	25	5	31	5	125	3
ICMA-RC	5	58	8	25	5	35	5	141	1

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City of Beaverton

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**PROPOSALS RECEIVED**

**CITY OF BEAVERTON REQUEST FOR PROPOSALS 457(b) PLAN  
ADMINISTRATION SERVICES Solicitation #3255-18**

**Closed: 2:00 PM on August 28, 2017**

**Proposals Submitted:**

- 1. Empower Retirement, Greenwood Village CO**
- 2. ICMA Retirement Corporation, Washington, DC**
- 3. Lincoln Financial, Radnor, PA**
- 4. Mass Mutual, Springfield, MA**
- 5. Omni Financial Group, Rochester, NY**
- 6. Prudential, Hartford, Ct**
- 7. Voya, New York, New York**