

**DEFINED CONTRIBUTION PLANS
COMMITTEE**

Jason Bader
Stacy Hussey
Leslie Wisniewski
Janice Conerly-Coleman
Roxanne Dilley
Mick Boyd
Murray Levison

COMMITTEE STAFF

Samantha Wallace, Committee Secretary
Jeffrey Massey, Senior Deputy City Attorney
Kristina Byrd, Staff

Meeting Agenda
**Defined Contribution Plans
Committee**

City Hall, Historic Hearing Room 915 I Street

Published by the
Department of Human Resources
(916) 808-5731

Wednesday, January 15, 2020
10:00 a.m.

NOTICE TO THE PUBLIC

You are welcomed and encouraged to participate in this meeting. Public comment is taken on items listed on the agenda when they are called. Public Comment on items not listed on the agenda will be heard as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select 3-5 speakers to represent the opinion of the group.

Notice to Lobbyists: When addressing the legislative bodies, you must identify yourself as a lobbyist and announce the client/business/organization you are representing.
(City Code 2.15.160).

Speaker slips are available on the City's Website and from staff and should be completed and submitted to the Committee Clerk.

Government Code 54950 (The Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. The City posts Agendas at City Hall as well as offsite meeting locations. The order and estimated time for Agenda items are listed for reference and may be taken in any order deemed appropriate by the legislative body. The Agenda provides a general description and staff Recommendation; however, the legislative bodies may take action other than what is recommended. Full staff reports are available for public review, including all attachments and exhibits on the City's website. "To Be Delivered" and "Supplemental" reports will be published as they are received. Hard copies are available at the Department of Human Resources and all written material received is available at the meeting for public review.

Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify the Department of Human Resources at (916) 808-7657 at least 48 hours prior to the meeting.

General Conduct for the Public Attending Defined Contribution Plans Committee Meetings

- Members of the public attending Defined Contribution Plans Committee Meetings shall observe the same rules and decorum applicable to the Members and staff as noted in Chapters 3 and 4 of Council Rules of Procedure.
- Stamping of feet, whistles, yells or shouting, physically threatening conduct, and/or similar demonstrations are unacceptable public behavior and will be prohibited by the Sergeant-at-Arms.
- Lobbyists must identify themselves and the client(s), business or organization they represent before speaking to the Committee.
- Members of the public wishing to provide documents to the Committee shall comply with Rule 7 D of the Council Rules of Procedure.

Members of the Public Addressing the Defined Contribution Plans Committee

Purpose of Public Comment. The City provides opportunities for the public to address the Committee as a whole in order to listen to the public's opinions regarding non-agendized matters within the subject matter jurisdiction of the City during Regular meetings and regarding items on the Agenda at all other meetings.

- Public comments should not be addressed to individual Members nor to City officials, but rather to the Committee as a whole regarding City business.
- While the public may speak their opinions on City business, personal attacks on Members and City officials, use of swear words, and signs or displays of disrespect for individuals are discouraged as they impede good communication with the Committee.
- Consistent with the Brown Act, the public comment periods on the Agenda are not intended to be "Question and Answer" periods or conversations with the Committee and City officials. The limited circumstances under which Members may respond to public comments are set out in Rule 8 D 2 of the Council Rules of Procedure.
- Members of the public with questions concerning Consent Calendar items may contact the staff person on the report prior to the meeting to reduce the need for discussion of Consent Calendar items and to better respond to the public's questions.

Speaker Time Limits.

In the interest of facilitating the Committee's conduct of the business of the City, the following time limits apply to members of the public (speakers) who wish to address the Committee during the meeting.

- **Matters not on the Agenda.** Two (2) minutes per speaker.
- **Consent Calendar Items.** The Consent Calendar is considered a single item, and speakers are therefore subject to the two (2) minute time limit for the entire Consent Calendar. Consent Calendar items can be pulled at a member's request. Such pulled Consent Calendar items will be considered individually and up to two (2) minutes of public comment per speaker on those items will be permitted.
- **Discussion Calendar Items.** Two (2) minutes per speaker.

Time Limits per Meeting: In addition to the above time limits per item, the total amount of time any one individual may address the Board at any meeting is eight (8) minutes.

- Each speaker shall limit his/her remarks to the specified time allotment.
- The Presiding Officer shall consistently utilize the timing system which provides speakers with notice of their remaining time to complete their comments. A countdown display of the allotted time will appear and will flash red at the end of the allotted time.
- In the further interest of time, speakers may be asked to limit their comments to new materials and not repeat what a prior speaker said. Organized groups may choose a single spokesperson who may speak for the group but with no increase in time.
- Speakers shall not concede any part of their allotted time to another speaker.
 - The Presiding Officer may further limit the time allotted for public comments per speaker or in total for the orderly conduct of the meeting and such limits shall be fairly applied

AGENDA

Wednesday, January 15, 2020

10:00 a.m.

915 I Street, City Hall, Historic Hearing Room

Open Session

Roll Call

Public Comments – Matters Not on the Agenda

Consent Calendar Estimated time: 5 minutes

All items listed under Consent Calendar are considered and acted upon by one Motion. Anyone may request an item be removed for separate consideration.

1. **Defined Contribution Plans Committee Minutes**

Location: Citywide

Recommendation: Approve Committee meeting minutes for the meetings of September 18, 2019, and October 17, 2019.

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

Discussion Calendar Estimated time: 1 hour 30 minutes

Discussion Calendar items include an oral presentation including those recommending “receive and file.”

2. **Nomination and Selection of Defined Contribution Plans Committee 2020 Chair and Vice-Chair**

Location: Citywide

Recommendation: Pass a motion selecting a Chair and Vice-Chair for the Defined Contribution Plans Committee 2020 calendar year.

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

3. **Defined Contribution Plans Committee 2020 Meeting Calendar**

Location: Citywide

Recommendation: Pass a motion approving the Defined Contribution Plans Committee 2020 meeting calendar.

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

4. Presentation from ICMA-RC on the City’s Retiree Health Savings plans

Location: Citywide

Recommendation: Review and comment

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

5. Discussion on future Request for Proposals for recordkeeping services for the City’s 401(a), 457(b), and Retiree Health Savings plans

Location: Citywide

Recommendation: Review and comment

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

6. Committee Work Plan

Location: Citywide

Recommendation: Review and comment

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

Member Comments-Ideas, Questions and Meeting/Conference Reports

Adjournment



**DEFINED CONTRIBUTION PLANS
COMMITTEE**

Jason Bader
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Leslie Wisniewski
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Meeting Minutes
**Defined Contribution Plans
Committee**

City Hall, Historic Hearing Room 915 I Street

Published by the
Department of Human Resources
(916) 808-5731

Wednesday, September 18, 2019
10:00 a.m.

Open Session

Roll Call

The meeting was called to order by Chair Levison at 10:00 a.m.

Present: Murray Levison, Stacy Hussey, Jason Bader, Leslie Wisniewski, Janice Conerly-Coleman, Roxanne Dilley, and Mick Boyd.

Absent: None.

Public Comments – Matters Not on the Agenda

None

Consent Calendar

All items listed under Consent Calendar are considered and acted upon by one Motion. Anyone may request an item be removed for separate consideration.

None

Discussion Calendar **Estimated time: 1 hour 30 minutes**

1. Retirement Plans Consulting Services Requests for Proposals

Firms presenting to the Committee included Hyas Group, NFP, and NEPC.

No action was taken.

Public comment heard from David Bach.

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

Member Comments-Ideas, Questions and Meeting/Conference Reports

This item was taken prior to item #1 on the agenda.

Murray Levison shared he attended the National Association of Government Defined Contribution Administrators annual conference and that he had handouts to share with Committee members.

Meeting adjourned at 12:02 p.m.

Respectfully submitted:

Samantha Wallace, Human Resources Manager
Department of Human Resources

Approved by:

Murray Levison, Chair
Defined Contribution Plans Committee



**DEFINED CONTRIBUTION PLANS
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Meeting Minutes
**Defined Contribution Plans
Committee**

City Hall, Historic Hearing Room 915 I Street

Published by the
Department of Human Resources
(916) 808-5731

Wednesday, October 16, 2019
10:00 a.m.

Open Session

Roll Call

The meeting was called to order by Chair Levison at 10:00 a.m.

Present: Murray Levison, Stacy Hussey, Jason Bader, Shelley Banks-Robinson, Roxanne Dilley, and Mick Boyd.

Absent: Janice Conerly-Coleman

Public Comments – Matters Not on the Agenda

None

Consent Calendar Estimated time: 5 minutes

All items listed under Consent Calendar are considered and acted upon by one Motion. Anyone may request an item be removed for separate consideration.

1. Defined Contribution Plans Committee Minutes

Motion **passed** approving Committee minutes from July 17, 2019, meeting, with an amendment to reflect Murray Levison voted no on item 3, member comments should be in order of comments, and to add additional comments not reflect in the minutes.

Action: Moved/Seconded Mick Boyd/Stacy Hussey

Yes: Stacy Hussey, Jason Bader, Roxanne Dilley, Mick Boyd, Murray Levison

No: None

Abstain: Shelley Banks-Robinson

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

Discussion Calendar Estimated time: 1 hour 30 minutes

Discussion Calendar items include an oral presentation including those recommending “receive and file.”

2. Defined Contribution Plans 2020 Meeting Calendar

Motion passed setting a meeting date of January 15, 2020, for a January meeting and set remaining dates for 2020 calendar year at the January 15, 2020, meeting.

Action: Moved/Seconded Mick Boyd/Stacy Hussey

Yes: Stacy Hussey, Jason Bader, Shelley Banks-Robinson, Roxanne Dilley, Mick Boyd, Murray Levison

No: None

Abstain: None

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

3. Retirement Plans Consulting Services Requests for Proposals

Motion passed recommending staff proceed with obtaining the services of Hyas Group.

Action: Moved/Seconded Stacy Hussey/Jason Bader

Yes: Stacy Hussey, Shelley Banks-Robinson, Jason Bader, Roxanne Dilley, Mick Boyd, and Murray Levison

No: None

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

4. Defined Contribution Plans Administrative Fees

Motion passed recommending staff present two options to the City’s Recognized Employee Organizations to include: 1) a flat fee of \$18.00 per 457(b) participant, per year; or 2) a flat fee of \$10.00 per 457(b) participant, per year, for 457(b) participants with an account balance up to \$14,999.99 and a flat fee of \$25.00 per 457(b) participant, per year, for 457(b) participants with an account balance at or above \$15,000.

Action: Moved/Seconded Roxanne Dilley/Stacy Hussey

Yes: Stacy Hussey, Shelley Banks-Robinson, Jason Bader, Roxanne Dilley, Mick Boyd, and Murray Levison

No: None

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

5. Nationwide Retirement Solutions Overview of Plan Performance as of June 30, 2019 and General Updates
No action taken on this item.

Member Comments-Ideas, Questions and Meeting/Conference Reports

Jason Bader inquired about Roth IRAs and rollover Roth IRAs.

Murray Levison requested an item be placed on January 15, 2020, meeting agenda to include a discussion of when to conduct a Request for Proposal for plan services.

Meeting adjourned at 11:41 a.m.

Respectfully submitted:

Samantha Wallace, Human Resources Manager
Department of Human Resources

Approved by:

Murray Levison, Chair
Defined Contribution Plans Committee



Meeting Date: January 15, 2020

Report Type: Discussion

Defined Contribution Plans Committee

Historic City Hall, Hearing Room
915 I Street

www.CityofSacramento.org

Title: Nomination and Selection of Chair and Vice-Chair

Location: Citywide.

Recommendation: Pass a motion selecting a Chair and Vice-Chair for the Defined Contribution Plans Committee 2020 calendar year.

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

Attachments:

1-Description/Analysis

Description/Analysis

Issue Detail: Chair and Vice-Chair assignments are the term of one calendar year. The Defined Contribution Plans Committee Bylaws state the officers of the committee shall include a Chairperson and Vice-Chairperson elected from Primary members during the first scheduled meeting of the calendar year. In the event the Chair is absent from a meeting, the Vice-Chair shall assume the duties of the Chair.

Policy Considerations: None.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: Selection of a Chair and Vice-Chair is required by the Committee's bylaws.

Financial Considerations: None.

Local Business Enterprise (LBE): None.



**Defined Contribution Plans
Committee**

Historic City Hall, Hearing Room
915 I Street

www.CityofSacramento.org

Meeting Date: January 15, 2020

Report Type: Discussion

Title: Defined Contribution Plans Committee 2020 Meeting Calendar

Location: Citywide.

Recommendation: Pass a motion approving the Defined Contribution Plans Committee 2020 Meeting Calendar.

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

Attachments:
1-Description/Analysis

Description/Analysis

Issue Detail: In coordination with the City Clerk's Office, adoption of the Meeting Calendar for 2020 will allow for reservation of the Historic City Hall Hearing Room for meetings of the Defined Contribution Plans Committee. The Committee's bylaws state the Committee should meet at least quarterly. The proposed meeting calendar represents availability of the Historic City Hall Hearing Room and Human Resources staff to support the 2020 meetings of the Committee.

All meetings will commence at 10:00 a.m. and be held in the Historic City Hall, Hearing Room, 915 I Street, Sacramento, California, 95814.

Currently available dates for consideration:

February: Tuesday, February 25, or Thursday, February 27

May: Tuesday, May 26, or Thursday, May 28

August: Tuesday, August 11, or Tuesday, August 18

November: Tuesday, November 17, or Tuesday, November 19

Policy Considerations: None.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: The public meeting requirements of the Ralph M. Brown Act and sound public policy support adoption of a regular meeting schedule of the Committee.

Financial Considerations: None.

Local Business Enterprise (LBE): None.



Meeting Date: January 15, 2020

Report Type: Discussion

Defined Contribution Plans Committee

Historic City Hall, Hearing Room

915 I Street

www.CityofSacramento.org

Title: Presentation from ICMA-RC on the City's Retiree Health Savings Plans

Location: Citywide.

Recommendation: Review and comment.

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

Attachments:

1-Description/Analysis

2-Presentation

3-VantageCare Retirement Health Savings Program brochure

Description/Analysis

Issue Detail: The City currently administers six (6) Retiree Health Savings (RHS) plans with ICMA-RC for the following Recognized Employee Organizations:

- Western Council of Engineers (WCE)
- Sacramento City Exempt Employees Association (SCXEA)
- Plumbers and Pipefitters, Local 447
- Sacramento Police Officers Association (SPOA)

Plan #	Group	Employee Contribution	ICMA-RC Contract terms
803453	WCOE	\$25.00	5 years from 3/6/2018 - but then renewed automatically for each succeeding year. 60 days notice of termination required.
803454	SCXEA hired w/ City on or after 8/8/2015	2%	5 years from 10/1/2015 - but then renewed automatically for each succeeding year. 60 days notice of termination required.
803568	Local 447	\$10.00	5 years from 1/1/2018 - but then renewed automatically for each succeeding year. 60 days notice of termination required.
803599	SCXEA hired w/ City prior to 8/8/2015	\$25.00	5 years from 3/5/2016 - but then renewed automatically for each succeeding year. 60 days notice of termination required.
803742	SPOA hired w/ City prior to 9/3/2013	1%	5 years from 1/1/2018 - but then renewed automatically for each succeeding year. 60 days notice of termination required.
803743	SPOA hired w/ City on or after 9/3/2013	3%	5 years from 1/1/2018 - but then renewed automatically for each succeeding year. 60 days notice of termination required.

Plan #	Group	# of Participants w/ Balance	Plan Balance as of 1/9/2020
803453	WCOE	186	\$130,803.47
803454	SCXEA hired w/ City on or after 8/8/2015	405	\$1,033,885.06
803568	Local 447	209	\$176,239.25
803599	SCXEA hired w/ City prior to 8/8/2015	685	\$1,522,440.39
803742	SPOA hired w/ City prior to 9/3/2013	479	\$1,556,374.09
803743	SPOA hired w/ City on or after 9/3/2013	482	\$2,250,056.81

The labor agreement for Sacramento Area Firefighters, Local 522, approved by City Council on December 10, 2019, stipulates RHS plans will be established for Local 522 employees.

ICMA-RC is providing the Committee with an overview of the plans and is available to answer questions from the Committee.

Policy Considerations: None.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: To provide the Committee with information about the City's RHSA plans.

Financial Considerations: None.

Local Business Enterprise (LBE): None.



BUILDING PUBLIC SECTOR
RETIREMENT SECURITY

VANTAGECARE RETIREMENT HEALTH SAVINGS (RHS)

Help Your Employees Cover Future
Health Care Costs

AC: 40872-0119-8594

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HEALTH CARE COST CONCERNS

RISING NUMBER
OF RETIREES

10K+

BABY BOOMERS
RETIRING EVERY DAY
UNTIL 2030¹

INDIVIDUALS ARE
LIVING LONGER...

2 YEARS

AVERAGE AGE 65
INDIVIDUALS LIVING
LONGER VS. 2003

63%

CHANCE OF ONE
SPOUSE IN A 65 YEAR
OLD COUPLE LIVING
TO AGE 90²

¹ SSA's Fiscal Year 2012 Annual Performance Plan

² Society of Actuaries, "Annuity 2000 Mortality Tables"

³ Society of Actuaries Mortality Tables (Oct. 2014)

HEALTH CARE COSTS ARE SIGNIFICANT



Average age 65 couple to face **ALMOST \$250,000** in health care costs¹

- ▶ Medicare out-of-pocket expenses
- ▶ Expenses Medicare doesn't cover
- ▶ Add the possibility of long-term care

¹ EBRI, "Amount of Savings Needed for Health Expenses for People Eligible for Medicare: Good News Not So Rare Anymore"

HEALTH CARE COST CHALLENGES

MAJORITY of public sector workers are concerned about rising health care costs



How can you help your employees **BUILD ASSETS** for medical costs?

VANTAGECARE RHS PROGRAM

SIMILAR TO A DEFINED CONTRIBUTION PLAN

- ▶ Individual accounts managed by each employee
- ▶ Pre-tax contributions made by ER and/or employee
- ▶ Investment decisions made by employees
- ▶ Tax-free distributions for qualifying medical expenses



BENEFITS EMPLOYEES

- ▶ Dedicated savings vehicle
- ▶ Family coverage – employee, spouse, dependents
- ▶ Tax advantages
- ▶ Investment control
- ▶ Survivor benefits



View RHS account [ALONGSIDE OTHER ICMA-RC](#) accounts on statements and our website

BENEFITS EMPLOYER

- ▶ Your contributions are exempt from FICA and unemployment taxes
- ▶ No unfunded liability
- ▶ Flexible plan design that you have control over



WHO CAN PARTICIPATE?

- ▶ All Employees
- ▶ Non-union Employees
- ▶ Public Safety Employees – Fire
- ▶ Public Safety Employees – Police
- ▶ Collectively Bargained Employees –
Specify Unit



WHO CAN CONTRIBUTE?

▶ DIRECT EMPLOYER ONLY

- Flat Dollar Amount
- Percentage of Pay
- Formula Based on Years of Service
- Discretionary Amount to be Determined Each Year



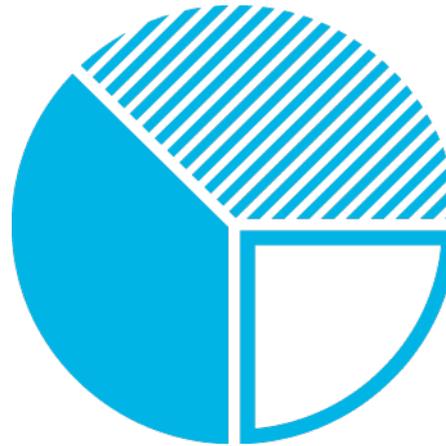
▶ MANDATORY PRE-TAX EMPLOYEE ONLY

- Flat Dollar Amount
- Percentage of Pay
- Formula Based on Employment Status
- From Sick/Vacation Leave

▶ OR BOTH

INVESTMENT OPTIONS

- ▶ Target-date funds – age-based fund is default option
- ▶ Target-risk funds
- ▶ Actively managed and index, stock, bond funds
- ▶ Stable value fund

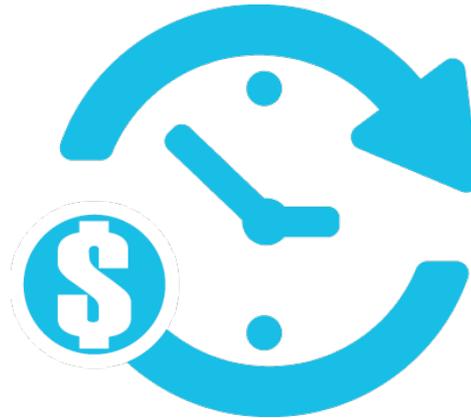


Participants can build a **DIVERSIFIED PORTFOLIO** by choosing a single target fund or a range of individual funds

REIMBURSEMENTS

WHEN CAN PARTICIPANTS REQUEST?

- ▶ Retirement
- ▶ Separation from service with or without restrictions



REIMBURSEMENTS – WHAT EXPENSES QUALIFY?

ALL IRC §213 MEDICAL EXPENSES FOR PARTICIPANT,
SPOUSE, AND DEPENDENTS



Medical Insurance, Out-of-Pocket Expenses



Medicare, Medigap, Prescription Drug, COBRA, Dental,
Vision Insurance Premiums



Qualified Long-Term Care Insurance Premiums



Other Qualifying Medical Expenses

You may **ALLOW ALL** or **SPECIFY** eligible ones....

REIMBURSEMENTS

WHO CAN RECEIVE?

- ▶ While Participant is Living
 - Participant
 - Spouse
 - Eligible Dependents
- ▶ After Participant's Death
 - Spouse
 - Eligible Dependents



CITY OF SACRAMENTO PLANS



6 plans covering 4 Bargaining Groups

- ▶ All plans require a mandatory employee contribution to the Retirement Health Savings (RHS) Plan. The contributions range from a % of base pay deducted from payroll on a biweekly basis to an annual flat dollar contribution.
- ▶ Some of the plans cover all members of the Bargaining Group, while others cover members hired before or after a specific date. All employee contributions are made on a pre-tax basis and are fully vested.
- ▶ Benefit eligible upon separation of service
- ▶ Benefit can be used for all allowable medical expenses

EXPERIENCE MATTERS

19

YEARS

ICMA-RC introduced
retiree health care
product line in 1999

\$1

BILLION

Administer and
manage over
\$1 billion in assets*

130k

PARTICIPANTS

Over 1,400 retiree health
programs, with over
130,000 participants*



QUESTIONS



To learn more, contact your ICMA-RC representative or visit www.icmarc.org/rhs



Meeting Date: January 15, 2020

Report Type: Discussion

Defined Contribution Plans Committee

Historic City Hall, Hearing Room

915 I Street

www.CityofSacramento.org

Title: Discussion on future Request for Proposals for recordkeeping services for the City's 401(a), 457(b), and Retiree Health Savings plans

Location: Citywide.

Recommendation: Review and comment.

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

Attachments:

1-Description/Analysis

2-Plan Matrix

Description/Analysis

Issue Detail: The City currently administers ten (10) defined contribution or deferred compensation plans. The recordkeeper for the 401(a) and 457(b) plans is Nationwide Retirement Solutions. The recordkeeper for the Retiree Health Savings (RHS) plans is ICMA-RC. Attachment 2 provides an overview of the City's plans including the contract terms between the City and the recordkeeper.

The City issued a Request for Proposal (RFP) for recordkeeping services in 2015. This RFP solicited proposals for retirement plan services to provide 401(a), 457(b), Roth IRA, and Retirement Health Savings services. From this process, Nationwide Retirement Solutions was selected as the recordkeeper for the City's 401(a) and 457(b) plans. ICMA-RC continued to be the recordkeeper for the City's RHSA plans. The City entered into contract with Nationwide Retirement Solutions in December 2016 and transitioned the 401(a) and 457(b) plans from ICMA-RC to Nationwide Retirement Solutions. The transition was complete in April 2017.

All existing contracts have a provision for automatic renewal and a termination clause. If the City were to conduct an RFP for recordkeeper services, staff advises the Committee the process could take from twelve (12) to eighteen (18) months. The Human Resource Department would also likely need to hire a consultant to manage the RFP process, including the processes for negotiation and awarding of a contract(s).

Policy Considerations: The City's procurement policy requires an RFP for professional services of \$100,000 or more.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: The Department of Human Resources wishes to effectively plan for an RFP process and will need to identify available resources needed to complete the process.

Financial Considerations: None.

Local Business Enterprise (LBE): None.

401, 457 and RHSA Plans

Type	eCaps	Provider	Plan Name & #	Group	Rep Unit #	Contribution Amount		Contract terms
						Employee	Employer	
457	457 Deferred Compensation	Nationwide	City of Sac 457(b) 005551-5001	Career Employees	Career EEs	2019 = up to \$19,500 / 50+ provision and catch up avail	none	5 years from 12/6/2016 - automatically extended thereafter for additional 1 year periods, unless either party gives notice of non-renewal not less than 90 days prior to expiration of original term or any subsequent 1 year term.
401(a)	109857	Nationwide	Management Employees 005551-6001	Exempt Mngmt, Mngmt Support, Exec. Mngmt, Mayor/Council Support	01, 14, 20, 21	5%	4%	5 years from 12/6/2016 - automatically extended thereafter for additional 1 year periods, unless either party gives notice of non-renewal not less than 90 days prior to expiration of original term or any subsequent 1 year term.
401(a)	109870	Nationwide	City Council 005551-7001	City Council	23	5%	4%	5 years from 12/6/2016 - automatically extended thereafter for additional 1 year periods, unless either party gives notice of non-renewal not less than 90 days prior to expiration of original term or any subsequent 1 year term.
401(a)	108299	Nationwide	WCOE, L39 Supv, Confidential 005551-8001	WCOE, L39 Supv, Confidential, Executive Management Support	10, 11, 15, 22	2%	2%	5 years from 12/6/2016 - automatically extended thereafter for additional 1 year periods, unless either party gives notice of non-renewal not less than 90 days prior to expiration of original term or any subsequent 1 year term.
RHSA	RHS001	ICMARC	803453	WCOE	11	\$25.00	none	5 years from 3/6/2018 - but then renewed automatically for each succeeding year. 60 days notice of termination required.
RHSA	RHS002	ICMARC	803454	SCXEA hired w/ City on or after 8/8/2015	01, 10, 14	2%	none	5 years from 10/1/2015 - but then renewed automatically for each succeeding year. 60 days notice of termination required.
RHSA	RHS003	ICMARC	803568	Local 447	07	\$10.00	none	5 years from 1/1/2018 - but then renewed automatically for each succeeding year. 60 days notice of termination required.
RHSA	RHS004	ICMARC	803599	SCXEA hired w/ City prior to 8/8/2015	01, 10, 14	\$25.00	none	5 years from 3/5/2016 - but then renewed automatically for each succeeding year. 60 days notice of termination required.
RHSA	RHS005	ICMARC	803742	SPOA hired w/ City prior to 9/3/2013	02	1%	none	5 years from 1/1/2018 - but then renewed automatically for each succeeding year. 60 days notice of termination required.
RHSA	RHS006	ICMARC	803743	SPOA hired w/ City on or after 9/3/2013	02	3%	none	5 years from 1/1/2018 - but then renewed automatically for each succeeding year. 60 days notice of termination required.



Meeting Date: January 15, 2020

Report Type: Discussion

Defined Contribution Plans Committee

Historic City Hall, Hearing Room

915 I Street

www.CityofSacramento.org

Title: Committee Work Plan

Location: Citywide.

Recommendation: Review and comment.

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

Attachments:

1-Description/Analysis

Description/Analysis

Issue Detail: It is a common practice for government agency committees or commissions to establish an annual or multi-year work plan. A work plan can be an effective tool to ensure efficiency of a committee and establish priorities. This item is to discuss the Committee's desire to establish a work plan and what type of items the Committee would like to see on the work plan. A work plan can also assist the Department of Human Resources in allocating resources needed to prepare materials for meeting agenda items.

If the committee expresses a desire to develop a work plan, staff will return to the next meeting with a written work plan for the Committee to consider for formal action.

For consideration, staff recommends the following items be identified in a work plan:

- Presentation schedule from the recordkeepers of the City's plans
- A pre-set meeting date for annual review of the Committee's governing documents
- A pre-set meeting date for annual training or information on plan fiduciary responsibilities.

Policy Considerations: None.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: A work plan can be an effective tool to ensure committee efficiency and assists the Department of Human Resources in allocating resources to prepare agenda items for meetings.

Financial Considerations: None.

Local Business Enterprise (LBE): None.