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From the Chairman, Select Committee on Deferred Compensation, requesting authorization to enter into an Agreement with Empower Retirement for third-party administration of the Milwaukee County 457(b) Plan of Deferred Compensation for the period effective April 1, 2019, through March 31, 2024, with two possible one-year extension options, by recommending adoption of the following:

A RESOLUTION

WHEREAS, the Select Committee on Deferred Compensation (Select Committee) is requesting approval to enter into an agreement with Empower Retirement (Empower) for the third-party administration of Milwaukee County’s (the County) 457(b) deferred compensation plan for a five-year period beginning April 1, 2019; and

WHEREAS, Adopted File No. 82-145(a) established a Select Committee to supervise the Milwaukee County Plan of Deferred Compensation (the Plan) and the designated County officials who are authorized to execute on behalf of the County such agreements as are formulated by the Select Committee in the implementation of the Plan; and

WHEREAS, approval of the Milwaukee County Board of Supervisors is required, however, for the selection of the third-party administration of the Plan; and

WHEREAS, all expenses related to the operation of the Plan, including the third-party administrator contract, are paid from funds collected through plan participant fees; no property tax levy or other County funds are used in the operation of the deferred compensation program; and

WHEREAS, the Select Committee issued a request for proposals (RFP) for third-party administration with the assistance of RVK, Inc., the independent financial advisor to the Plan; and

WHEREAS, RVK, Inc., assisted the Select Committee with the evaluation of the third-party administrator proposals based on the following criteria:

- Leading capabilities in investment management, administration and recordkeeping, trustee services, employee education and communication, and plan sponsor services
- Ability to administer current investment options
- A strong stable value fund offering
- Participant services that are high quality and delivered in multiple media (i.e. Internet, phone representatives, and voice response)
- Competitive fees

; and

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WHEREAS, the Select Committee unanimously recommended that Empower be selected as the third-party administrator of the Plan based on the strength of its proposal, including:

- Per participant fees of approximately \$27 per year
- A custom managed Stable Value Fund investment option open only to County participants that has consistently exceeded its performance benchmark
- Two full-time on-site representatives to provide assistance to current and past employees participating in the Plan

; and

WHEREAS, Empower has agreed to sub-contract with a local printer certified by Community Business Development Partners, Department of Administrative Services, to meet its Targeted Business Enterprise participation goal; and

WHEREAS, in an added “indirect” community benefit, Empower operates one of three national call centers in downtown Milwaukee serving thousands of retirement plans, including the County plan, and providing employment to more than 300 full-time staff; and

WHEREAS, based on the evaluation and recommendation of the Select Committee, it is recommended that the Select Committee be granted the authority to execute a five-year agreement with Empower for recordkeeping services; and

WHEREAS, the Committee on Finance and Audit, at its meeting of March 14, 2019, recommended adoption of File No. 19-301 (vote 6-0); now, therefore,

BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby authorizes the Select Committee on Deferred Compensation to enter into an Agreement with Empower Retirement to provide third-party administration of Milwaukee County’s (the County) 457(b) Plan of Deferred Compensation (the Plan) based on the following key terms:

- Term: Five years (April 1, 2019, through March 31, 2024) with two possible one-year extensions.
- Scope: Recordkeeping, communications, and education related to the Plan. Management of the Stable Value Fund exclusively for Milwaukee County participants as the Plan’s only fixed investment option.

91 Fees: \$26.92 per participant per year for recordkeeping. Stable Value
92 Fund to have total fees of 0.30 percent for investment management
93 and wrap fees.
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95 ; and
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97 BE IT FURTHER RESOLVED, the final Agreement shall be reviewed and signed
98 by the appropriate County officials prior to execution to ensure that it comports with the
99 key terms of this resolution and satisfies the other requirements of a professional
100 services agreement.
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