



STAFF REPORT

AGENDA NO: 9h

MEETING DATE: January 21, 2025

To: Honorable Mayor and City Council

Date: January 21, 2025

From: Maria Saguisag-Sid, Human Resources Director – (650) 558-7209

Subject: Adoption of a Resolution Authorizing Amendment No. 1 to the Professional Services Agreement Between the City of Burlingame and NFP to Provide Deferred Compensation and Defined Contribution Compliance Assistance, and Increasing the Deferred Compensation Fund Appropriation by \$36,000

RECOMMENDATION

Staff recommends that the City Council adopt the attached resolution authorizing the City Manager to execute an amendment to the agreement with NFP to add an additional scope of service Provider Analysis/Service Provider Search services and conduct an RFP for Recordkeeping Services.

BACKGROUND

The City of Burlingame currently contracts with NFP to provide professional compliance assistance services for the City's 457(b) plan. In partnership with the City's Deferred Compensation Committee, NFP advises the City by monitoring investment performance, reviewing the 457(b)-investment policy, and supporting the monitoring of the City's recordkeeping vendor. The City's current 457(b) recordkeeper service provider is Empower, who acquired the City's prior recordkeeper Mass Mutual in 2022. The services provided by NFP are essential for proper governance of the 457(b) plan to ensure the City meet its fiduciary responsibilities.

DISCUSSION

As part of the City's due diligence in overseeing the 457(b) plan, the Deferred Compensation Committee discussed issuing a Request for Proposals (RFP) for recordkeeper service providers. The last time an RFP was conducted was in 2016, when the City moved from ICMA-RC and CalPERS/Voya to Mass Mutual. As noted earlier, Mass Mutual was acquired by the City's current recordkeeper, Empower. While the services provided by Empower have been adequate, there is interest in issuing this RFP to analyze and review if the services and fees provided by Empower are competitive with similar

recordkeeping service providers. This review is outside of the normal scope of services currently provided to the City by NFP, so an amendment to perform the review and RFP service is required to move forward.

FISCAL IMPACT

This additional service has a one-time fee of \$36,000. Staff also proposes increasing the Deferred Compensation Fund budget appropriation by \$36,000.

Exhibits:

- Resolution
- Amendment
- Engagement Agreement
- NFP Agreement dated June 2, 2021