



City of Seattle Request for Proposal

Response to Provider Questions

October 13, 2023

1. Please provide the total number of participants.
 - a. See the table labeled "Participant Information" below.
2. Please provide the total actively contributing participants.
 - a. See the table labeled "Participant Information" below.
3. Please provide the total annual contributions.
 - a. See the table labeled "Participant Information" below.
4. Please provide the total annual distributions.
 - a. See the table labeled "Participant Information" below.
5. Please provide the annual volumes for participant distributions.
 - a. See the table labeled "Distribution Data" below.
6. Are there liquidity concerns or investments subject to a market valued adjustment, put, or other restrictions? If yes, please provide details.
 - a. The Galliard Stable Value fund is subject to a 12-month put.
7. Based on the assumption the 12-month put is the termination option for the Galliard Stable Value Fund, is the City planning to execute the 12-month put to accommodate a book value transfer to a new stable value product at the projected conversion date (end of 2024)?
 - a. The City may consider this option.
8. Please provide the annual rental fees for the local office located in the Seattle Municipal Tower.
 - a. Lease rates are negotiated with FAS (Internal City department), then paid to CBRE. Current annual rent is \$18,000, through May 2024. Negotiated lease subject to market adjustment.
9. Please confirm if there are managed accounts currently offered and if so, please provide the name the service provider and the number of assets and participants in Managed Accounts.
 - a. Managed accounts are offered via Nationwide ProAccount. Currently 252 participants and \$36 million in assets.
10. Please confirm that loans are currently available to participant today. If yes, please provide the currently number of outstanding loans and the current loan balance.
 - a. Yes, loans are offered. See details below:



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Total dollar amount of outstanding loans as of March 31, 2023:

\$16,512,211.75

Total number of outstanding loans as of March 31, 2023:

1,254

Total number of unique participants with outstanding loans:

1,254

Total number of loans in default:

233

Total dollar amount of loans in default:

\$2,999,633.78

11. Under Minimum Qualifications Question #5 “The firm must be currently providing single-record-keeper administration services to at least three tax exempt deferred 457(b) compensation plans with a total asset size of at least \$500 million in each plan.” Would the city be willing to expand the plan types to include 401(k), 403(b), and 401(a)?
 - a. Yes, the City is open to this consideration.
12. Does the City have a hybrid price structure in place currently?
 - a. The City has flexibility to choose from different pricing models including asset based, fixed fee, per participant, and hybrid. The City assesses each year which model will be utilized going forward.
13. Is the \$25 MM in SM Credit Union assets part of this RFP?
 - a. Yes. This will need to be record-kept along with the other assets.
14. What is the current crediting rate of the Galliard Stable Value?
 - a. 2.90%
15. Please confirm the current payroll provider.
 - a. City of Seattle is migrating to Workday internally. Estimated go-live by end of Q1 2024. ADP is and will be the current provider.
16. Can you please clarify the fund type of the SM Credit Union Assets listed in the City’s existing lineup? We would like to confirm we can record keep the existing lineup.
 - a. The City offers 3-year CDs to participants. Additionally, the City offers a Seattle Credit Union Accumulator account providing a federally-insured, interest yielding savings account. This is not a mutual fund. Total assets are as follows:

Seattle Credit Union 3-year Certificates.

Year	Participants	Assets
2023	2	\$47,160.15
2024	7	\$192,729.53
2025	3	\$54,878.37

Seattle Credit Union Accumulator:

*All plan information as of 3/31/2023. Any inconsistencies in data may be due to rounding or inclusion/exclusion of loans, SDBA, or credit union assets.



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Participants	Assets
312	\$26,568,135.03

17. In the QUESTIONNAIRE attachment “F32. Please also confirm the vendor adheres to the City’s policies (Yes/No). (<http://www.seattle.gov/business/WithSeattle.htm>)” the link appears to be invalid. Please provide the City’s Policies or a valid link.
 - a. Please disregard this question.
18. Do employees participate in social security?
 - a. Sworn Police and Fire (participants in LEOFF) do not pay into social security. All other employees do participate in social security.
19. For the integration of the defined benefit balances can you please provide the current vendor, participant counts and assets.
 - a. The City’s DB is separate and run in-house at the City. No DB data will be available or shared with our DC vendor.
20. Does the city currently have any single sign-on connections (i.e., inbound from company intranet, outbound to other benefit provider, etc.)?
 - a. No. All benefit providers are separate.
21. What percentage of employees are issued an employer email address?
 - a. The vast majority of employees are issued an employer email address.
22. Please confirm if employer email addresses are provided on the payroll file.
 - a. No employer email addresses are provided in the payroll file. We expect that plan participants will need to enter and provide their email addresses directly to the vendor.
23. Do you capture personal email addresses for those employees who don't have an employer issued email address?
 - a. No personal email addresses will be shared with the vendor. Participants and employees will have to provide their email addresses to the vendor.
24. Is Day-to-day plan admin centralized (one office/one person)? Is Payroll submission (files & contact) centralized (one location/person)? What is the current payroll file submission method (i.e., sFTP, website upload, etc.)
 - a. Day-to-day plan admin is with 3 staff who work for the City of Seattle in the HR department. Payroll submission files should be centralized with City Payroll. Payroll files are communicated directly between ADP and the vendor. Currently SFTP / PGP encrypted.
25. What are the payroll frequencies; total number of financial (combined loan/contribution) files sent annually?
 - a. Payroll is sent every 2 weeks (26 annual pay periods). There is an additional correction file sent at year end. Contribution, loan and census data are in the same file.



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26. What, if any language needs are there for participant communication, either for meetings or print materials?
- We expect English to be available for communications, meetings, and print materials. We would like expansion to Spanish. Also we would like to work with our recordkeeper to also work towards translating most critical plan pieces (FAQ, High level plan overview) to be translated to Tier 1 languages which are traditional Chinese, Spanish, Vietnamese, Somali, Amaharic, Korean, and Tagalog.
https://www.seattle.gov/Documents/Departments/OIRA/Seattle%20Top%20Tier%20Languages_Multisource%20Table_Updated%2011_14_2020.pdf
27. Does the current recordkeeper track beneficiaries and approve death distributions? Or is the City involved in the beneficiary process?
- The current recordkeeper tracks and approves.
28. In E-6 of the Questionnaire you ask if the recordkeeper would be able to take on Unforeseeable Emergency Distribution Approval, and in E-7 it appears that the City is looking to maintain the current structure where the vendor reviews and makes a recommendation, but the City's subcommittee has the final decision-making authority. Is the City open to turning the entire process over to the recordkeeper? Or is it the City's desire to maintain involvement in this process?
- The City is open to considering alternatives to the current method.
29. Who is responsible for calculating employer contributions, if applicable?
- We expect that any employer contributions will be correctly calculated by our Payroll provider and correctly reported to our vendor. City staff will be auditing employer contributions throughout the year. City staff will share employer annual maximum limits set by bargaining agreements to the recordkeeper annually.
30. How many collectively bargained groups receive employer contributions?
- 4
31. The background information indicates the City currently has 1.5 full-time on-site representatives; however, the minimum qualifications requires 1 full-time on-site representative. Please confirm how much on-site support should be included in our proposal.
- The City will consider all options, ensuring that the participant base is adequately served.
32. Please confirm if a fully redacted copy of the RFP is required in addition to completing the City Non-Disclosure Request Form.
- No, this is not required. However, the City is subject to public disclosure requests.
33. To better understand plan participant demographics, can you provide the number (or percentage) of plan participants under age 35, 35 to 55, and over 55?
- See available demographics below:



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	Under 30	30 to 39	40 to 49	50 to 59	60 & Older
Total Participants	518	1,966	2,373	2,872	3,229
Eligible Employees	3,874	3,678	3,568	3,584	2,312
Balance	\$ 10,535,589	\$ 88,083,825	\$ 230,309,688	\$ 563,793,805	\$ 654,671,117

*As of 3/31/2023. Data provided by record-keeper.

Participant Data

	As of Date March 31, 2023	2022	2021	2020
Total Assets (\$)	\$1,559,072,834	\$1,467,196,700	\$1,825,585,178	\$1,616,976,458
Total Participant Accounts (#)	10,958	10,873	10,715	10,555
Total Active (currently contributing) Accounts (#)	6,557	6,260	6,527	6,604
Total Deferrals (\$)	\$16,750,072	\$69,051,252	\$62,518,243	\$53,725,147
Total Roll-Ins (#)	70	161	116	159
Total Roll-Ins (\$)	\$4,680,086	\$7,515,650	\$5,675,479	\$6,293,396
Total Contributions (\$)	\$24,709,850	\$85,063,220	\$77,732,254	\$69,154,233
Total Accounts in Systematic Distribution (#)	308	883	767	563
Total Systematic Distributions (\$)	\$2,078,878	\$11,079,532	\$8,764,672	\$5,721,134
Total Accounts with Lump Sum Distributions (#)	847	3,065	2,595	2,331
Total Lump Sum Distributions (\$)	\$7,226,215	\$23,009,960	\$21,731,489	\$14,719,828
Total Annuity Purchases (#)	-	-	-	-
Total Annuity Purchases (\$)	-	-	-	-
Total Transfers to Proprietary IRAs (#)	0	1	0	3
Total Transfers to Proprietary IRAs (\$)	\$0	\$132,837	\$0	\$9,832
Total Roll-Outs (#)	139	518	515	470
Total Roll-Outs (\$)	\$15,775,977	\$64,116,636	\$74,353,375	\$52,936,031
Total Distributions (#)	1,259	4,679	4,006	3,722
Total Distributions (\$)	\$25,055,418	\$97,604,676	\$104,410,334	\$81,694,333
Total NET Cash Flow (\$)	(\$345,568)	(\$12,541,456)	(\$26,678,080)	(\$12,540,100)
Total Hardship Withdrawals Requested (#)	2	14	11	14
Total Hardship Withdrawals Approved (#)	2	9	2	6
Total Hardship Withdrawals Approved (\$)	\$36,021	\$236,704	\$2,223	\$57,114

Distribution Data



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	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023
Transfers/Rollovers Out	\$17,815,827	\$21,301,205	\$13,558,918	\$11,440,686	\$15,775,977
Death	\$494,122	\$1,122,330	\$332,746	\$221,976	\$514,933
In-Service	\$636,675	\$398,154	\$365,088	\$360,481	\$821,540
In-Service - Rollover Sources	\$0	\$988	\$0	\$64,831	\$0
Insurance Premium Payment	\$45,000	\$12,000	\$9,000	\$0	\$53,437
Qualified Birth or Adoption	\$0	\$2,555	\$0	\$2,244	\$0
Qualified Domestic Relations Order	\$265,181	\$104,581	\$474,138	\$59,102	\$415,206
Required Minimum Distribution	\$811,415	\$767,957	\$1,214,906	\$3,552,097	\$781,178
Required Minimum Distribution - Supplemental	\$105,290	\$107,202	\$218,050	\$243,506	\$252,451
Retirement	\$67,804	\$51,751	\$25,592	\$51,054	\$23,254
Termination	\$7,509,317	\$5,345,844	\$5,333,830	\$2,864,370	\$6,381,421
Unforeseeable Emergency	\$0	\$208,995	\$831	\$26,878	\$36,021

	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023
Transfers/Rollovers Out	155	127	144	92	139
Death	42	29	32	27	30
In-Service	36	28	31	28	38
In-Service - Rollover Sources	0	1	0	1	0
Insurance Premium Payment	17	10	3	0	20
Qualified Birth or Adoption	0	1	0	1	0
Qualified Domestic Relations Order	21	14	15	11	15
Required Minimum Distribution	118	113	168	399	164
Required Minimum Distribution - Supplemental	8	7	13	35	41
Retirement	37	33	34	25	28
Termination	742	689	772	610	781
Unforeseeable Emergency	0	5	1	4	3