



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JANUARY 13, 2026

FROM: HUMAN RESOURCES DEPARTMENT WARDS: ALL

SUBJECT: APPROVE THE ADMINSTRATIVE SERVICES AGREEMENT FROM RFP 2480 WITH MISSIONSQUARE RETIREMENT SERVICES PLAN TO ADMINISTER THE CITY'S 457(B) DEFERRED COMPENSATION & 401(A) DEFINED CONTRIBUTION PLAN SERVICES

ISSUE:

Approve the Administrative Services Agreement from RFP 2480 with MissionSquare Retirement Services to administer the City's Deferred Compensation provider for the 457 (b) and 401(a) through January 13, 2029, with an option of two additional one-year (1) extensions.

RECOMMENDATIONS:

That the City Council:

1. Approve the MissionSquare Administrative Services Agreement through January 13, 2029, with an option of two additional one-year (1) extensions; and
2. Authorize the City Manager, or designee, to execute the Administrative Services Agreement with MissionSquare Retirement and all related documents, including making any minor non-substantive changes, as necessary, to effectuate the Agreement.

BACKGROUND:

The City of Riverside provides employer sponsored deferred compensation plan under Section 457(b) of the Internal Revenue Code ("IRC"), and a defined contribution plan under Section 401(a) of the IRC, herein known as "The Plans". The Plans provide tax benefits to employees who make deposits into the Plans on a pre-tax or Roth 457 basis for their retirement. The current record keeper for the Plans is MissionSquare Retirement (formerly ICMA-RC). The last agreement with MissionSquare was effective in May 31, 2022.

DISCUSSION:

Staff, in consultation with the City's fiduciary investment advisor and plan consultant for the Plans, Shuster Advisory Group, LLC. ("Shuster"), determined that, to meet retirement plan best practices, a Request for Proposal ("RFP") should be issued recordkeeping services for the Plans. Shuster, in its role as plan consultant, assisted in the drafting of the content for the RFP and reviewed all of the responses received, working in collaboration with the City's Procurement team.

The RFP was issued in July with responses due in August. A detailed review and comparison of all responses was completed and presented to the Deferred Compensation Committee for the City of Riverside. After careful analysis and consideration, as well as follow-up questions, negotiation and discussions, the Committee decided to retain MissionSquare Retirement as the record keeper for the plans. MissionSquare's response provided the lowest cost to plan participants of all proposals received while also offering an increase in the interest credit rate for the principal guaranteed investment available in the plan. The average annual fee reduction to plan participants is over 80%, moving from an asset-based record keeping fee of 0.02% (or approximately \$24 annually) to \$4.00 per account annually.

The new MissionSquare Administrative Services Agreement will be effective for three years from the effective date with the option of two additional one-year extensions. Additionally, the new Agreement contains a provision where the City can terminate the agreement for convenience at any time with thirty (30) days' notice to the MissionSquare.

Request for Proposal (RFP) No. 2480 was posted on the City's online bidding system, Planet Bids, on July 21, 2025, seeking prospective bidders to provide comprehensive plan administration, record keeping, enrollment, education services, trustee and asset custodial services for the City's 457(b) Deferred Compensation and 401(a) Defined Contribution Plans.

The solicitation notification is summarized in the table below:

Action	Number of Vendors
External Vendors Notified	500
City of Riverside Vendors Notified	428
Vendors who downloaded the RFP	35
Proposals received	4

RFP 2480 closed on August 21, 2025, with a total of 4 responses. All responses were found to be responsive and responsible. Under the guidance of the purchasing department, the City's fiduciary investment advisor and plan consultant, Shuster Advisory Group, LLC, evaluated the proposals which resulted in MissionSquare ranking No. 1. The evaluation criteria, total points and rankings for each evaluation round are summarized in the tables below.

Evaluation Criteria	Total Percentage
Record Keeping and Administration	30%
Communication and Education	30%
Costs	40%

Evaluation Results

Vendor	Location	Total Cost	Average Points out of 5	Rank
MissionSquare Retirement	Washington, DC	No Cost to City	4.7	1
Empire Retirement LLC	Greenwood Village, CO	No Cost to City	4.3	2
Voya Financial	Windsor, CT	No Cost to City	3.9	3
Corebridge Financial	Houston, TX	No Cost to City	3.2	4

Purchasing Resolution 24101, Section [508] Awards states, "Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible, except that... (c) Contracts procured through Formal Procurement for Services or Professional Services, where a Request for Proposals or Request for Qualifications was used to solicit Bids, shall be awarded by the Awarding Entity in accordance with the evaluation criteria set forth in the Request for Proposals or Request for Qualifications."

The Purchasing Manager concurs that the recommended actions are in accordance with Purchasing Resolution 24101.

FISCAL IMPACT:

The proposed action has no fiscal impact to the City as all costs are borne by the participants in the program.

Prepared by:	Michelle Vizcarra, Principal Human Resources Analyst
Approved by:	Rene Goldman, Human Resources Director
Certified as to availability of funds:	Kristie Thomas, Chief Financial Officer
Approved by:	Edward Enriquez, Assistant City Manager/Treasurer
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. Administrative Services Agreement with MissionSquare Retirement
2. Award Recommendation