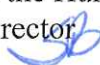




*"...meeting community needs...enhancing quality of life."*

Human Resources Department  
100 N. Appleton Street  
Appleton, WI 54911

## MEMO

To: Alderperson Konetzke and Members of the Human Resources/I.T. Committee  
From: Sandy Behnke, Human Resources Director   
Date: June 3, 2016

### **Re: Selection of the Bogdahn Group to perform 457 (b) Deferred Compensation Plan Advisory Services.**

The City of Appleton underwent an RFP process for the purpose of selecting an Advisor who could act as fiduciary for our Deferred Compensation Plan. In addition to serving as a fiduciary, the City was looking for services that would assist our employees in enhancing their investment options and maximizing their retirement savings.

The selection team for the RFP consisted of Deputy City Attorney Behrens, Finance Director Saucerman, and myself. There were a total of six respondents that were evaluated based on the following criteria:

- \*Qualifications and Experience of the Firm
- \*Qualifications and Experience of Key Personnel
- \*Demonstrated Understanding of services and support required
- \*Quality of service and support offered
- \*Participant Education & Communication on plans
- \*The Firms approach to providing services and support
- \*References
- \*Cost

As a result of the scoring, the team recommended hiring the Bogdahn Group. The expense of the service will be paid for by the participants in the Deferred Compensation Plan but will be offset by the anticipated reduction of fees that are currently paid.

I'd like to explain a bit about why we have decided to acquire the expertise of an Advisory Firm. This has been a project in the works in my office for a good three plus years now. First of all, the Deferred Compensation Plan in place currently, pre-dates my tenure with the City. The plan is offered to employees as a voluntary benefit to help them supplement their retirement income. There has recently been a lot of attention regarding fiduciary liability and concerns over the operation of retirement plans in the media. While

the City is not governed by ERISA (Employee Retirement Income Security Act) there are several things that I felt our plan lacked in helping employee's better feel financially secure in their retirement goals. Some of the primary areas that I wanted to focus on were establishing better expertise regarding the investment fund lineup offered to employees, minimizing any fiduciary liability to the City, offering employees more transparency in terms of fees, avoiding any conflicts of interest and most importantly helping employees maximize those hard earned dollars in their retirement funds. We are very excited about bringing the Bogdahn Group on board to assist us with these goals.