

George Latimer
County Executive

Department of Finance

Ann Marie Berg
Commissioner

84862

April 29, 2021

To: Board of Acquisition and Contract

From: Ann Marie Berg
Commissioner of Finance

Re: Authority to enter into an agreement with Marsh & McLennan Agency, LLC for the provision of consulting services on behalf of the Westchester County Deferred Compensation Board for a term of five years commencing on July 1, 2021 and expiring on June 30, 2026, with the County having the sole option to renew the agreement for up to two, one-year renewal periods total amount not to exceed \$262,500.00.

Authority is hereby requested for the County of Westchester (the "County") to enter into an agreement (the "Agreement") with Marsh & McLennan Agency, LLC ("MMA") for the provision of consulting services to the Westchester County Deferred Compensation Board (the "Board") in connection with the operation and administration of the County's Deferred Compensation Plan (the "Plan"). The proposed Agreement will be for a term of five years commencing on July 1, 2021 and expiring on June 30, 2026, with the County having the sole option to renew the Agreement for up to two, one-year renewal periods. Pursuant to the the proposed Agreement, the County shall pay MMA an amount not to exceed \$47,500.00 per annum plus a one-time \$25,000.00 administrative fee for RFP Services (as defined below), for a total amount not to exceed \$262,500.00. The annual fee will increase by 2% per year for years six and seven should the County exercise those options to renew.

Under the proposed Agreement, MMA, while acting as the Board's fiduciary, shall attend Board meetings, prepare investment statements on behalf of the Board, review the investment statement on an annual basis, identify the Plan's strengths and weaknesses and recommend any changes, and evaluate

the performance of the funds and investments contained in the Plan on a quarterly basis. MMA will also assist the Board with preparing and issuing request for proposals (the "RFP Services") to procure a plan provider ("Provider") to administer the Plan prior to the expiration of the current Provider's agreement.

Pursuant to the Rules and Regulations of the New York State Deferred Compensation Board (the "Rules"), agreements for an independent consultant, administrative agency, financial organization and trustee services for the operation of a deferred compensation plan are limited to duration of five years, with the privilege of two, one-year renewals. The Rules, as well as the County's Procurement Policy & Procedures, require that any such agreement be awarded as the result of a Request for Proposals ("RFP") process.

In compliance with the Rules and the County's Procurement Policy and Procedures, the County issued an RFP seeking consulting services for the Westchester County Deferred Compensation Board. Four firms submitted proposals by email and regular mail in accordance with the RFP requirements and a fifth firm submitted a proposal but failed to submit an email version, as required.

The proposal by MMA was not only the lowest cost proposal but also best met the County's needs. In addition to serving as the consultant to the Board since 2014 (under the name "The Centurion Group LLC", which was subsequently acquired by MMA in 2019), MMA has extensive experience in this field providing these services to other deferred compensation plans, including the Nassau County Deferred Compensation Board and Plan. Furthermore, in accordance with the County's Procurement Policy and the Rules, each of the proposals were evaluated based upon the criteria set forth in the RFP, and MMA's proposal was ranked first. The Board, after review of each of the proposals and upon due deliberation, unanimously voted to recommend awarding the contract to MMA.

The goals and objectives of this contract are to retain a consultant to assist the Board in connection with the operation and administration of the Plan. MMA's performance will be monitored by the Board and by Department of Finance staff.

I recommend approval of the attached proposed resolution.

AMB/jrc

RESOLUTION

Upon a communication from the Commissioner of Finance, be it hereby

RESOLVED, that the County of Westchester (the "County") is hereby authorized to enter into an agreement (the "Agreement") with Marsh & McLennan Agency, LLC ("MMA") for the provision of consulting services to the Westchester County Deferred Compensation Board (the "Board") in connection with the operation and administration of the County's Deferred Compensation Plan (the "Plan"); and be it further

RESOLVED, that the Agreement would be for a term commencing July 1, 2021 and expiring June 30, 2026, with the County having the sole option to renew the Agreement for up to two, one-year renewal periods; and be it further

RESOLVED, that for the services to be rendered, the County shall pay MMA an amount not to exceed \$47,500.00 per annum plus a one-time \$25,000.00 administrative fee for services related to the administration of a request for proposals, for a total amount not to exceed \$262,500.00. The annual fee will increase by 2% per year for years six and seven should the County exercise those options to renew; and be it further

RESOLVED that this Agreement is subject to County appropriations; and be it further

RESOLVED that this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the "State Budget") proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances; and be it further

RESOLVED, that the County Executive or his authorized designee is hereby authorized to execute all instruments and take all actions reasonably necessary to implement this Resolution.

Account to be Charged/credited	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
2021	101	15	1000	4420		48,750
2022	101	15	1000	4420		47,500
2023	101	15	1000	4420		47,500
2024	101	15	1000	4420		47,500
2025	101	15	1000	4420		47,500
2026	101	15	1000	4420		23,750

Budget Funding Year(s) _____ Start Date July 1, 2021 End Date June 30, 2026
 (must match resolution)

Funding Source Tax Dollars \$ 262,500 _____
 State Aid _____
 \$ Federal Aid _____
 (must match resolution) Other _____

APPROVED BOARD OF ACQUISITION & CONTRACT - 05/27/2021 - LISA MARIJAJ, SECRETARY