

Cut along border and affix this label to your sealed bid envelope to identify it as a "Sealed Bid".
Be sure to include the name of the company submitting the bid where requested.

SEALED BID – DO NOT OPEN

SEALED BID NO: 10-03

BID TITLE: PROFESSIONAL ACTUARY
SERVICES

NAME OF COMPANY:

DUE DATE/TIME: AUGUST 6TH, 2010 2PM

DELIVER TO: FINANCE DIRECTOR
City of Fort Meade
8 WEST BROADWAY
FORT MEADE, FL 33841

Please Note:

From time to time, addenda may be issued to this bid. Any such addenda will be posted on the same website, www.cityoffortmeade.com, from which you obtained this bid. Before submitting your bid/proposal you should check our website to download any addenda that may have been issued. Please remember to sign and return addendum acknowledgement form with completed bid package if applicable

CITY OF FORT MEADE

REQUEST FOR PROPOSAL

#10-03

FOR

PROFESSIONAL

ACTUARIAL SERVICES



8 WEST BROADWAY,
FORT MEADE, FL 33841

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I. INTRODUCTION

A. NOTICE OF REQUEST FOR PROPOSAL

The City of Fort Meade (“the City”) is requesting proposals for its actuarial services. The City has three defined benefit pension plans: Police, Fire, and General Employee. The City is also requesting actuarial services for its OPEB obligation. The City’s police pension plan is frozen as the City has contracted its police services to the Polk County Sheriff, however, the plan remains in place to fund its prior service costs. There are currently no active police officers. Participant data and other details of the plans can be found in the City’s latest report which is attached.

An internal committee of City staff will make objective comparisons among the proposals submitted and forward recommendations to the City Commission. One firm will be selected for a five-year contract beginning with the first biennial valuation as of 10-1-2010. The five year contract can be extended upon mutual agreement of both parties and can be terminated with or without cause by either party with thirty days written notice. All firms submitting bids will be informed of the Commission’s decisions immediately thereafter.

The City assumes no obligation to pay any costs incurred in the preparation of a proposal. A firm’s preparation and submittal of a proposal or subsequent participation in presentations or contract negotiations creates no obligation on the City to award a contract or to pay any associated costs. All proposals and related materials will be retained by the City and will be subject to disclosure as required in accordance with the Florida Public Records Act.

II. INSTRUCTIONS FOR SUBMISSION OF PROPOSAL

A. CLOSING DATE, PLACE TO SUBMIT PROPOSAL AND POINT OF CONTACT

Four copies of the proposal offering to provide the requested services must be delivered to City Hall no later than August 6th, 2010 at 2PM. Proposal should be addressed to the Director of Finance, James M. Parker, at:

City of Fort Meade
Attention: James M. Parker
8 West Broadway
Fort Meade, FL 33841

Once a proposal has been submitted in accordance with this Request for Proposal, the candidate may contact Mr. Parker to confirm receipt. From the date of issue of this RFP until a successful candidate is selected and

announced, candidates are not allowed to communicate, for any reason, with City staff or Board members regarding this particular procurement, except through the Point of Contact named herein. Any unauthorized contact may result in disqualification.

Candidates shall not discuss or share the contents of their proposals with other potential candidates.

B. QUESTIONS ABOUT THIS REQUEST FOR PROPOSAL

In order to ensure that all candidates have the same information and instructions concerning the preparation of proposals, any questions or other communication between a candidate and the City prior to the submission of proposals must be in writing. The answer to all questions posed will be made available to all candidates via a posting on our website.

Questions must be submitted no later than July 15th, 2010 to: James M. Parker at jmparker@cityoffortmeade.com. Email is the preferred method of communication. The subject line of the email should be "Actuarial RFP Questions". All questions must include the name of the firm and the person submitting the questions(s). Candidates may confirm the City's receipt of their questions by telephoning Mr. James Parker at (863) 285-1100 X234. A compilation of all questions and answers, along with any RFP addenda, will be posted on the City of Fort Meade website, <http://www.cityoffortmeade.com>, no later than July 22nd, 2010.

C. PREPARATION OF PROPOSAL

Each proposal must conform to the requirements of this Request for Proposal. The proposal should be prepared in language making performance of the work contemplated by the offering firm mandatory (e.g., "The Firm shall. . .") and suitable for use as an attachment to any resulting contract so as to legally bind the offering firm to performance of the specific work being proposed.

Conciseness and clarity of content are encouraged. The City reserves the exclusive right to determine compliance with these requirements and to exclude from consideration proposals which, in its judgment, do not conform.

III. DESCRIPTION OF SERVICES REQUESTED

A. ACTUARIAL AND CONSULTING SERVICES

1. Prepare Biennial Actuarial Valuation Reports

Actuarial valuations are to be performed every other year as of each October 1st, beginning with the October 1st, 2010 valuation. The data for employees, active and inactive are provided as of September 30th of each year. The report must be finalized within ninety (90) days of the receipt of all required employee and financial data.

The actuarial report will:

- Be in a format similar to the October 1st, 2008 Actuarial Valuation Report (Attachment1).
- Specify statutory funding requirements for the two years starting October 1st – September 30th of the current actuarial date and the next succeeding fiscal year (i.e. funding requirements for two years, the current and subsequent fiscal year).
- Contain projections of unfunded liabilities and required employer contributions.
- Potentially contain an estimate of projected accrued liabilities and assets, as may be required in future years.

2. Preparing Cost Estimates for Benefit Changes

The actuary may be required to provide estimates of the cost of potential changes in benefit provisions. In very rare instances, the actuary may be required to appear before legislative committees, commissions, or other bodies including the board to explain the estimates.

3. Consulting Services

The City may require, from time to time, analyses of certain proposals and laws affecting the City. Examples would include federal tax treatment of compensation and retirement benefits under qualified benefit plans and defined contribution plans. Please state whether the firm would be able to prepare special explanatory letters or reports on such topics as needed. (Fees for such projects would either be billed at an hourly rate or for a specified amount, as mutually agreed by the City and the firm).

B. INDEPENDENT REVIEW OF ACTUARIAL ASSUMPTIONS & METHODOLOGY

The review of the City's actuarial assumptions and methodology should be comprehensive. It should cover as many years as the firm deems appropriate based on generally accepted actuarial standards and practices. The study should examine current analytical and forecasting methods as well as the City's assumptions.

The City's last independent actuarial review was in 2009 dated October 1st, 2008. The City's current actuary, Gabriel Roeder Smith & Company, has provided services for eight years.

IV. CONTENTS OF PROPOSAL

Proposal should be designed to cover the content requirements identified within this Section. All pages of the proposal must be numbered. Each proposal must be organized in the manner described below to facilitate comparison among the firms submitting proposals:

- A. Table of Contents
- B. Transmittal Letter
- C. Work Plan (for items described in Part III, Description of Services Requested)
- D. Flat Fees and Hourly Rates (for items in Work Plan)
- E. Firm's Experience with Public Sector Retirement Systems
- F. Quality Assurance Procedures

Appendices – Candidates are invited to submit other relevant information provided that it is clearly identified in the Table of Contents.

Separate documents – A sample actuarial valuation report and a sample independent review of a system's actuarial assumptions and methodology may be submitted as separate documents. These are not required.

A. TABLE OF CONTENTS

The proposal should include a table of contents. Tabs would be helpful.

B. TRANSMITTAL LETTER

1. Briefly state the firm's understanding of the services desired by this Request for

Proposal and make a positive commitment to perform jobs within the periods noted.

2. Provide the name, address, telephone and email address of the person authorized to answer questions concerning the proposal. This person should be available and accessible to the City staff throughout the period of any resulting contract.
3. Provide the name, address, and telephone and email address of the person authorized to execute the contract on behalf of the candidate firm.
4. Summarize the proposed fees for the five-year contract period.

C. WORK PLAN

The proposal must include a plan of work which should describe in detail the methodology to be employed by the firm to perform services. When possible, indicate the number of hours that will be allocated for each of the services and functions.

D. FLAT FEES AND HOURLY RATES

1. Actuarial and Consulting Services

Please provide flat fee estimates for the following services:

- Actuarial valuations of the three pension plans on a biennial basis starting with the valuation for 2009 dated October 1st, 2010.
- Prepare an actual valuation of the City's OPEB liability and related footnote disclosure information for auditors per GASB statement 45 on a biennial basis starting with the fiscal year ending September 30th, 2010. The City currently qualifies for the alternative method under GASB 45 and presently has no retirees who have opted to take the City's health coverage. The City also does not have a formal OPEB plan or trust and has no plans to set one up or fund anything.

Please provide hourly billing rate for the following services:

- Cost estimates for benefits changes
- Consulting services

E. PERSONNEL ASSIGNED

Please provide biographical information on the individuals who would provide services to Fort Meade Employees Retirement System highlighting their public sector experience and the number of years they have been with the firm.

Note which of the individuals is an enrolled actuary as defined in sections 1241 and 1242 of Title 29 of the United States Code.

F. QUALITY ASSURANCE PROCEDURES/PEER REVIEW

Briefly describe your firm’s internal procedures for ensuring accuracy of work performed by the firm. Please provide a copy of the latest peer review performed on the firm’s work product.

V. CRITERIA FOR PROPOSAL EVALUATION AND SELECTION PROCEDURE

The City staff will review proposals submitted by candidate firms in a timely manner. Proposals submitted in response to this Request for Proposal may be accepted as submitted, or may be used as a basis for further negotiation of specific project details with firms. The weighted factors listed below will be considered by City when evaluating the firms’ submittals.

<u>Evaluation Criteria</u>	<u>Weight</u>
Qualification and Experience of firm and assigned	30%
Internal quality controls	20%
Communication (Written and Verbal)	20%
Cost	30%

If determined to be necessary, candidates may be requested to make oral presentations to the Board or staff or to otherwise respond to specific questions about the proposal.

VI. CLAIMS AGAINST FIRM

Within the last five years, has your organization or an officer or principal been involved in litigation or other legal proceedings relating to your actuarial services assignments? If so, please provide an explanation and indicate the current status or disposition.

If your firm has been terminated from a contract for actuarial services similar to that described in this RFP, please provide a detailed explanation of the circumstances.

VII. INSURANCE AND LIABILITY

- What limitation on liability, if any, do you propose through your contract?
- Please describe the levels of coverage for errors and omissions insurance and any fiduciary or professional liability insurance your firm carries. Is the coverage on a per client basis, or is the dollar figure applied to the firm as a whole? List the insurance carriers;

X. RIGHT TO REJECT PROPOSAL

By submitting a proposal, the vendor acknowledges that it has read this RFP, understands it, and agrees to be bound by its requirements unless clearly and specifically noted in the response submitted. The City reserves the right without prejudice to reject any and all responses.

LIST OF ATTACHMENTS

Attachment 1 Actuarial Valuation Report

TIMELINE

ID	Milestone	Date
1	Release of RFP	June 23, 2010
2	Questions from vendors due	July 15, 2010
3	Answers to questions posted	July 22, 2010
4	RFP submission deadline	August 6, 2010
5	Staff evaluation of submittals	August 13, 2010
6	Selected firm notified	August 19, 2010

The City reserves the right to alter this schedule at any time.

Bid Protest Procedure

1. A bidder that has submitted a bid to the City, and is adversely affected by the final disposition thereof, may file with the City Administrator's office a written protest no later than forty-eight (48) hours (excluding Saturdays, Sundays and legal holidays) from the City Commission's action thereon or its award of the contract in connection therewith.

2. The Notice of Protest shall be in the form of a sworn protest statement setting forth the basis of the protest and shall attach documentation in support thereof, if any. Failure to timely file such notice shall constitute a waiver of all rights to seek any further remedies provided for under this section.

3. The City Administrator shall submit the protest statement with attachments together with his or her own statement and supporting documentation, if any, addressing the issue(s) raised in the Notice of Protest to the City Commissioners for determination.

4. The City may retain the protestor's Protest Bond until all applicable legal appeal periods have expired.

5. The City shall have the right to offset against protestor's Protest Bond to reimburse itself for all costs incurred as a result of an unsuccessful protest.

6. The Notice of Protest must be delivered to the City Administrator, along with a Protest Bond in an amount equal to one percent of the total volume of the contract/bid, which amount shall not exceed \$5,000.00 nor be less than \$1,000.00. Such bond shall be conditioned upon payment of all costs, which may be adjudged against the protestor in the event of an unsuccessful bid protest and any subsequent court proceedings.

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