

BAY COUNTY ADDENDUM BCERS RETIREMENT ACTUARY

1. Why is this work currently out to bid? When was it last out to bid?

The Retirement Board reviews its service providers on a five-year cycle. The actuary services were last bid in 2014.

2. Item 5 under Actuarial Valuations states that reports are due 6 to 8 weeks after the receipt of complete data. When was complete data provided to the actuary? Is that the normal timing?

We work back and for the when supplying information to the actuary. We send our initial data in after the County finishes the audit by June 30; follow-up questions are provided after a review of the data. The actuary report is usually finalized the beginning of October however, attempts are made to have the process completed earlier.”

3. Item 2 under Plan Administration/Consulting services,
 - a. Roughly, how many of the following are prepared by the actuary each year:
 - i. Benefit estimates – Zero in the past year.
 - ii. Benefit final calculations – Under 10 a year.
 - iii. EDROs – Under 10 a year.

These are prepared on a case-by-case basis. We have a benefit software through our current actuary and can prepare most of our own estimates and final calculations in house.

 - b. Are the fees for these transaction based?

As per our current contract, we are provided a fixed number of free calculations from the actuary, this amount has not been exceeded in recent years. This fixed number does not include EDRO calculations.

 - c. Are EDRO fees charged to the member?

Paid by BCERS; we, in turn, bill the member.

 - d. Related to plan administration, Specification 10 asks, “Are you able to provide a software service that will serve as a tool for the plan administrator to prepare estimates for members? Are you able to provide a web based portal for employees to access estimate information themselves?”
 - i. Does BCERS currently have benefit calculation software?

BCERS have a benefit calculation software provided by our current actuary.
 - ii. Is a quote on benefits admin software expected?

If you offer this service, please provide the cost.

iii. Is BCERS planning to hire the actuary to develop this software or will they be soliciting quotes from software professionals in a separate RFQ?

BCERS is open to both options.

4. Does the actuary currently provide Summary Annual Reports and Benefit Statements?

Our actuary currently prepares a .pdf version of the Summary Annual Report and prints copies for distribution to members. Currently our actuary does not prepare benefit statements, but our trustees have expressed interest in these statements.

5. If possible, please provide a list of potential service providers bidding on the work.

We do not have a bidders list at this time.

6. Please confirm that Public Act 202 calculations are required separately for 5 different LUGs each for Pension and VEBA (BABH, DWS, Roads, Library, General/Sheriff/MCF).

Yes – all five (5) groups have separate PA202 calculations.

7. Please confirm that separate retiree health plan arrangements are analyzed for each of the 6 distinct retiree medical plans.

Yes they are.

8. Does the County's current actuary perform the final benefit calculations upon a member's retirement?

No. The current actuary only performs final benefit calculations if the member has benefits that are not included in our actuarial software.

9. Plan Administration/Consulting Services item 14 requests a list of public employees' retirement systems and private pension systems for which our firm currently provides services. Is the request intended to refer to only public pension systems, since private plan experience is not relevant to services provided under the RFP? In addition, would the County like a list of current public plan retiree health system clients as well?

Private plan experience is not necessary and yes, please include retiree health system clients.

10. It appears there are two plans that receive separate valuations within BCERS. Can you confirm how many plans this RFP pertains to?

There would be the two (2) plans – BABH and all remaining groups.

11. What were the fixed fees for last two funding valuations?

The fee for the pension valuation was \$11,750.

12. What are the fees for assistance and preparation of the last GASB disclosures?

The fee for the GASB 68 report was \$13,000 and the fee for the GASB 75 report was \$17,000.

13. How long have they been providing actuarial services?

Since inception.

14. Will the current actuary be participating in this RFP?

No, but like all firms they may choose to submit qualifications.

15. Our firm prefers to contract for actuarial services with a limit on liability for ordinary mistakes. However, we accept unlimited liability for: (i) willful, fraudulent or criminal misconduct, (ii) breach of the confidentiality provisions; and (iii) bodily injury, including death, or damage to tangible personal or real property incurred while performing the Services and to the extent caused by the negligent or willful acts or omissions of our personnel. Please confirm that Bay County, MI is willing to negotiate a prudent amount of potential payment that is acceptable to both parties, with exceptions noted.

Bay County requires all firms for follow the Michigan Municipal Risk Management Association (MMRMA) insurance requirements.

16. How is the plan currently administered?

The system employs a retirement administrator.

17. What are the annual fees for the administrative services?

Administrative service include the charge of a full-time and a part-time employee.

18. Do participants currently have access to an online modeling tool? Does it contain participant data or does participant have to enter all data for a projection?

We have a benefit software through our current actuary and can prepare most of our own estimates and final calculations in house.

19. If Internet system can provide projected benefits on demand, can the annual benefit statement be removed from the scope of services?

That is a decision of the committee and as of this moment, they require the annual benefit statement.

20. Approximately how many calculations will you expect the service provider to perform each year?

We currently use our benefit software to calculate most of our calculations in house, but there are special benefit cases, which our software is not able to compute. The number could vary year by year.

21. Please provide a copy of the most recent pension valuation report(s) and a copy of the plan(s) document.

See attached documents.

22. Is it the BCERS's preference to award a contract to a single firm for both the pension actuarial valuation service.

It is the intent of BCERS to award this contract to one firm.

23. (GASB 68) and the OPEB actuarial valuation services (GASB 75) or will BCERS consider separate awards to separate firms for the Pension and OPEB actuarial services?

It is the intent of BCERS to award this contract to one firm.

24. What are the fiscal years (for OPEB GASB 75 and Pension GASB 68) to be included in the valuation studies and reports?

We are an agent-multiple plan so we currently have two (2) separate reports to separate the two groups. Our BABH employer group has a different fiscal year end then the other employers in our plan and will requires the GASB reports reported before the other groups.

GASB 68 – One (1) report for employer BABH measurement date 12/31/2018 and reporting date 9/30/2019. A second report for All Other Employers Groups measurement date 12/31/28 and reporting date 12/31/18.

GASB 75 – One report for employer BABH measurement date 12/31/2018 and reporting date 9/30/19 A second report for All Other Employers Groups measurement date 12/31/18 and reporting date 12/31/2018.

25. When were the last full actuarial valuations for Pension? For OPEB?

The last pension actuarial valuation report was 12/31/2018. The last VEBA actuarial valuation report was 12/31/2017.

26. Were any subsequent roll-forward or updated valuations completed for OPEB and Pension?

No.

27. If so, for what fiscal years were the roll-forward or updated reports completed?

N/A.

28. What is the name of the firm that provided the previous pension actuarial report (GASB68)?

GRS.

29. What were the fees charged by that firm for the previous pension valuation (GASB 68)?

The fee for the pension valuation was \$11,750. The fee for the GASB 68 report was \$13,000.

30. What is the name of the firm that provided the previous OPEB actuarial report GASB 75)?

GRS.

31. What were the fees charged by that firm for the previous OPEB valuation (GASB 75)?

The fee for the OPEB valuation was \$41,000. The fee for the GASB 75 report was \$17,000.

32. What were the fees charged for subsequent updated reports?

This information is unavailable, as we have not updated reports. Every year the actuary prepare a full valuation report, not an update.

33. Can we receive copies of prior OPEB and Pension full actuarial valuation reports?

See attached.

34. When are the final reports due each year for the pension valuation report (GASB 68)?
For the OPEB valuation report (GASB 75).

ASAP no less than six to eight weeks after receipt of complete data requested for analysis.

35. What fiscal years are included in the contract term covered by this RFP?

2020-2025.

36. What are the anticipated requirements for onsite consulting, meetings, and/or presentations?

BCERS will require onsite presentations for the pension and OPEB valuation at our Board of Trustee meetings. We may require additional consulting if any new requirements are introduced or if there are issues related to the actuarial value of our plan.