

EMERALD COAST UTILITIES AUTHORITY
BID 2015 13
RFP ACTUARIAL SERVICES
March 18, 2015

ADDENDUM NUMBER 1

Prospective Bidders:

This addendum is issued to clarify questions received about this request for proposal for actuarial services.

1. Around how many active employees do you have? Our pricing is based on total employees and retirees.

Response: As of October 1, 2014, ECUA had 540 active employees.

2. The proposal describes the number of retirees with health coverage but no mention was made of the number of active employees with health coverage. As this active group may in the future become retirees, they are typically included in OPEB valuations. Are active employees, who retire in the future, eligible for the OPEB plan?

Response: 491 of 540 employees have ECUA health insurance. All retirees are eligible for the OPEB plan.

3. How often are full actuarial valuations and interim-year updates done for the Authority?

Response: Actuarial valuations have been performed every two years. A projected roll-forward valuation for the second year of the reporting cycle was included with the full actuarial valuation.

4. Do you require the financial projections to be done in total or allocated into smaller units?

Response: ECUA prefers the financial projections to be done in total.

5. What was the actuarial fee arrangement for the past GASB 45 reporting cycle?

Response: The first year fully compliant valuation was \$9,000 and \$0.00 for the second year valuation if no significant changes occurred.

6. Who performed the GASB valuations in the previous four years?

Response: Gabriel, Roeder, Smith & Company

7. Section A in the RFP states, "ECUA may request the selected firm to provide certain optional services in relation to GASB Statement No. 45." Are there particular studies known at this time and, if so, please provide the scope and timing. If additional studies are not known at

this time, is our proposal to include hourly rates for consultants with various areas of expertise in Section VI Proposal Signature Page?

Response: We don't know of any studies at this time. You may include hourly rates with your proposal if you desire.

8. What is the expected delivery date of the October 1, 2014 valuation?

Response: The report should be delivered by September 1, 2015.

9. Clarify the meaning of two two-year extensions as stated in Item F. Scope of Services.

Response: A full actuarial valuation is done every other year. Hence, the two-year cycle for the contract. The full actuarial valuation is to be performed in year one of the contract and year two of the contract is used to provide us with a roll-forward valuation, along with the related financial statement disclosures as required by GASB45. Each two-year extension would cover a full actuarial valuation in year one and a roll-forward valuation (along with related disclosure information) in year two of the contract. Each two-year contract extension would provide us the information needed for two fiscal year end reporting dates.

The contract awarded June 2015 covers FYE September 2015 and 2016.

Contract extension #1 June 2017 covers FYE September 2017 and 2018.

Contract extension #2 June 2019 covers FYE September 2019 and 2020.

A new RFP will be issued in April 2021.

Regards,

Amy Williamson, CPPB, FCCM
Senior Purchasing Agent