

Town of Union – Request for Proposal

REQUEST FOR PROPOSAL

ACTUARIAL SERVICE

The Town of Union, Endwell, New York is requesting proposals to provide an actuarial analysis of the Town's financial liability in compliance with GASB Statement No. 75 – Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions.

The Town of Union offers retirees the benefits described in Appendix A. Preliminary demographic and actuarial information is being presented to potential proposers with the understanding that the successful proposer will receive additional, more detailed information on a confidential basis. This information may not be used for any purpose other than for responding to this RFP and may not be provided to an outside party except by express written approval of the Town Board.

The Town of Union is prepared to consider a contract with the successful proposer for a period of three (3) years with the Town's option to contract for an additional two (2) years. This will assure that the successful proposer provides both the initial actuarial evaluation and minimally a second biannual evaluation. The contract may be cancelled by either party upon thirty (30) days written notice delivered to the non-cancelling party by the cancelling party.

The successful proposer must have a minimum of five (5) years experience performing same or similar actuarial services for public entities. Each proposer shall submit a statement of the proposer's qualifications, their experience, organization and facilities available to adequately provide the service and material necessary to fulfill the minimum specification of this proposal document, unless otherwise so designated in the specifications. The Town of Union may specifically request a detailed financial and ownership statement by any proposer. The Town shall have the right to take such steps as it deems necessary to determine the ability of the Proposer to perform obligations under the contract, and the proposer shall furnish the Town of Union all such information and data for this purpose as may be request. The Town of Union reserves the right to reject any and all proposals in the Town's sole discretion. Any proposal selected by the Town will be chosen based on factors which may, but will not necessarily, include the following: experience of the proposer; the proposer's demonstrated capacity to perform the services; and the fees or commissions to be charged to the Town.

Six (6) copies of your written proposal must be received at the address below by 4:00 p.m. on Friday, July 9, 2021. Proposals received after this date (even if they are postmarked before 4:00 p.m.) will not be considered. No faxed, telephonic or electronic proposals will be accepted. Late proposals shall be returned unopened.

All proposals will be firm offers and will be so considered by the Town of Union for the purpose of a contract to be executed between the Town of Union and the proposer. Once the proposals are received and evaluated, the Town of Union will notify the successful proposer no later than Thursday, August 5, 2021. Upon award notice, the successful proposer must deliver to the Town of Union by Friday, August

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20, 2021, and prior to the final execution of the contract, all Certificates of Insurance required by the Town of Union. No works should commence or payment made for services performed as a result of this RFP prior to the final execution of the contract.

Copies of proposals should be sent to:

Gretchen Uhler, Comptroller
Town of Union
3111 East Main Street
Endwell, New York 13760

The Town of Union reserves the right to accept or reject any proposal. Inquiries may be submitted in writing or email to Gretchen Uhler at the address above or at guhler@townofunion.com. All inquiries and responses will be furnished to all proposers. Please do not contact any other employee or officer of the Town of Union. Such contact may disqualify a proposer.

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SUBMISSION REQUIREMENTS

1. A total of six (6) copies of the proposal must be submitted on or before 4:00 p.m. on Friday, July 9, 2021. All proposals must be in writing. No faxed, telephonic or electronic proposals will be accepted. Late proposals shall be returned unopened.
2. All services provided to the Town of Union in connection with this RFP must comply with and provide all disclosure information for GASB Statement No. 75 – Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.
3. Costs for developing proposals are entirely the responsibility of the proposer and will not be reimbursed by the Town.
4. The proposer grants permission for the Town to contact any of the individuals listed as a reference.
5. Information provided by the Town is for the sole purpose of conducting an actuarial analysis of the Town’s financial liability under GASB 75 and shall not be disclosed to any third party without written permission from the Town Board.
6. All proposals must remain valid for a period of not less than 90 days from the closing date for submission.
7. The Town reserves the right to retain all proposals submitted and to use any ideas of any proposal regardless of whether that proposal is selected.
8. Proposers will direct all communications in writing or electronically to:
Gretchen Uhler, Comptroller
Town of Union
3111 East Main Street
Endwell, New York 13760
guhler@townofunion.com
9. The Town is under no obligation to accept any proposal and reserves the right to negotiate with proposers on fee and contract terms. The Town may also reject proposals at its sole discretion and waive any requirements of this RFP if it deems it is in the best interest of the Town.
10. If a proposer fails to satisfy any of the requirements identified in this RFP, the proposal may be considered non-responsive and the proposal may be rejected.
11. Each proposal will be checked for the presence of required material and information in conformance with the submittal requirements of the RFP. These submittal requirements are

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obligatory and failure to fully comply may deem the proposal non-responsive. If errors are found in the proposal, the Town may reject the proposal; however, the Town may, in its sole discretion, correct arithmetic and / or transposition errors. The proposer will be informed of the errors and corrections.

12. Proposers, by submitting a proposal to the Town, will be certifying and representing that they are not a party to a collusive action in connection with the submission of the proposal. Proposers, by submitting a proposal to the Town, also will be certifying and representing that they have not employed or retained any person, and will not employ or retain any person, other than a bona fide employees working solely for the proposer, to solicit or secure an agreement with the Town that is contemplated by this Request for Proposal, and that it has not offered or given fee, commission, percentage, gift, gratuity or other consideration to any official, employee or agent of the Town with the purpose or intent of securing an agreement or favorable treatment with respect to the award or acceptance of any proposal. A statement encompassing this paragraph must be included with the proposal and must be signed by an officer of or other responsible person employed by the proposer.
13. The proposer accepts and agrees that the language in substantially the following form will be included in the contract between the proposer and the Town:

In addition to, and not in limitation of the insurance requirements contained herein the firm agrees:

(a) That except for the amount, if any, of damage contributed to, caused by or resulting from the negligence of the Town, the firm shall indemnify and hold harmless the Town, its officers, employees and agents from and against any and all liability, damage, claims, demands, costs, judgments, fees, attorneys' fees for loss arising directly or indirectly out of the acts or omissions hereunder by the firm or third parties under the direction or control of the firm; and

(b) To provide defense for and defend, at its sole expense, any and all claims, demands or causes of action directly or indirectly arising out of the agreement and to bear all other costs and expenses related thereto.

Upon execution of any contract between the proposer and the Town, the proposer will be required to provide proof of the insurance coverage described in Appendix B.

14. All proposals shall become the exclusive property of the Town and shall be subject to public disclosure pursuant to the New York State Freedom of Information Law ("FOIL"), (Sections 84-90 of the Public Officers Law) mandating public access to government records. Proposals submitted in response to this Request for Proposal may contain technical or financial

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information or other data, which may not be required to be disclosed under FOIL. If a proposer believes that specific information or data contained in its proposal is protected from disclosure under FOIL, the proposer must specifically identify the pages of the proposal that contain such information or data by properly marking the applicable pages and include a separate written explanation of all of the proposer's reasons for believing that the information is exempt from disclosure. If the proposer believes certain information in the proposal is exempt from disclosure, the following notice must be inserted in the front of the proposer's proposal:

NOTICE

The data on pages of this proposal identified by an asterisk (*) or marked along the margin with a vertical line contain technical or financial information, which the proposer believes is protected from disclosure under New York State Freedom of Information Law. Therefore, the proposer requests that such information and data be used only for the evaluation of its proposal, but understands that disclosure will be limited by the Town only to the extent that the Town determines such limitation of disclosure is proper under law. The proposer agrees not to hold the Town liable or to claim any damages against the Town in the event the Town releases such information.

The Town does not assume any responsibility or liability regarding disclosure or use of data that has not been properly identified as set forth above. The Town shall be permitted to disclose information or data properly marked with the asterisk or a vertical line if it has made a good faith legal determination that such information is legally subject to disclosure, or if disclosure is made pursuant to an order of a court or appropriate administrative agency, or if disclosure is made pursuant to an interpretation issued by the appropriate administrative agency, such as the New York State Committee on Open Government.

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| 15. Release of Request for Proposal (RFP) | - | Friday, May 28, 2021 |
| Deadline for Submission of Questions | - | Friday, June 25, 2021 |
| Deadline for Submission of Proposal | - | Friday, July 9, 2021 |
| Selection of Provider | - | Wednesday, August 4, 2021 |
| Initial Report Due to Town | - | Thursday, March 31, 2022 |

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GASB 75 ACTUARIAL SERVICES

REQUEST FOR PROPOSAL

Please complete the information below as concisely as possible. If you wish to provide additional information please attach and reference location of additional information.

General Information

Legal Name: _____

Street Address: _____

City/State/Zip: _____

Telephone/Fax: _____

E-mail Address: _____

Primary Contact Name: _____

Contact Information: _____

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Description & Scope of Services

1. Are all actuarial valuations in conformance with GASB Statement 75 – Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions?
2. Confirm that your evaluation will address and highlight the following assumptions:
 - a. Turnover
 - b. Retirement Age
 - c. Disability Retirement Age
 - d. Mortality
 - e. Inflation Rate
 - f. Healthcare Cost Trend Data for the Geographic region of the Town
 - g. Amortization Timeframe
 - h. Investment Return
 - i. Post-retirement Benefit Increase
3. Are there any additional assumptions you propose to analyze?
4. Identify the principal and / or supervising actuaries and support staff that will perform services and their official designation.
5. How many years have these individuals performed actuarial or support services?
6. Confirm that all actuarial services relating to projections of the population will be under the supervision of a member of your organization who is an Enrolled Actuary and member of the American Academy of Actuaries.
7. Confirm that all actuarial services relating to projections of healthcare costs will be under the supervision of a member of your organization who meets the educational requirements for health actuarial work of the American Academy of Actuaries and is an Enrolled Actuary and a member of the American Academy of Actuaries.
8. Describe your firm’s quality control procedures regarding actuarial work.
9. Does your firm (or any affiliates) accept or pay commissions, contingent fees, or other remuneration for services or products related to benefit programs covered under GASB 75? Describe the nature of any such arrangements.
10. List the data or statistical information you will require from the Town in order to perform the actuarial analysis of the Town’s liability under GASB 75. Also, specify any preference you have for the medium in which this information should be received.

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11. Briefly describe the general process you will follow to analyze the Town’s GASB 75 information.
12. Identify the number and approximate dates of on-site meetings you propose for this project.
13. Describe other services you believe the Town should consider in compliance with GASB 75.
14. Provide a task list and timeframe for the major tasks that will be performed in the actuarial analysis and state who will be responsible for each task including Town personnel.
15. Confirm that you will provide the Town, on an annual basis, with the completed GASB 75 financial statement and footnote disclosures required for its comprehensive annual financial reports issued during the contract term, beginning with the Fiscal Year ending December 31 2021 and issued during the contract term.

Cost

1. For each major task for both the initial and follow-up evaluation, identify the:
 - a. Personnel who will be responsible
 - b. Total hourly rate
 - c. Total, not-to-exceed amount for the task
2. For any proposed services between the first and second actuarial evaluation identify the:
 - a. Scope and reason for the suggested service
 - b. Responsible personnel
 - c. Hourly rate
 - d. Total, not-to-exceed amount for the task
3. Indicate the additional costs, if any, for the following services:
 - a. Determination of expenses prior to year end
 - b. Projection of expenses and / or disclosure amounts
 - c. Preparation of studies for use in collective bargaining negotiations
 - d. Interim valuations reflecting new insurance premium levels and assumptions (no new demographic data)
4. Identify any enhancements you propose making to the contract that do not increase costs.

References

1. Provide the number of public agencies subject to GASB accounting currently services by your firm. Please submit the names of three public agency references. References should identify the type of services that were provided, contact person, title, and current phone number.

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APPENDIX A

TOWN OF UNION – RETIREE BENEFITS

Plan Types:	Classic Blue Health Insurance Plan (pre-Medicare eligible) Signature Copay I (pre-Medicare eligible) Humana PPO (Medicare eligible)
Eligibility:	Age of 55 and five (5) years of service for New York State Retirement Tiers One (1) through Four (4). Age of 55 and ten (10) years of service for New York State Retirement Tiers five (5) and six (6).
Benefit/Cost Sharing:	The Town shall pay 25% of the health insurance premium for CSEA employees hired on or after January 1, 2015 retiring with twenty (20) years of service to the Town. The Town shall pay 50% of the health insurance premium for retirees hired after December 31, 1997. The Town shall pay full coverage for retirees hired on or before December 31, 1997. Upon reaching age 65 and obtaining Medicare Part B coverage retirees receive a partial Medicare Part B premium reimbursement according to a fixed schedule.
Spouse/Dependent:	The Town shall pay 25% of the health insurance premium for the dependent and spouse of a CSEA retired employee hired on or after January 1, 2015 with twenty (20) years of Town service. The Town shall pay 50% of the health insurance premium for dependent and/or spouses of retirees hired after December 31, 1997. The Town shall pay full coverage for dependent and/or spouses of retirees hired on or before December 31, 1997.
Surviving Spouse:	The Town continues to provide the appropriate benefit as long as they remain unmarried.
Current Employees:	97
Current Retirees:	168

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APPENDIX B

STANDARD INSURANCE PROVISIONS

1. Prior to commencing work, the firm shall obtain at its own cost and expense the required insurance from insurance companies licensed in the State of New York, carrying a Best's financial rating of A or better, and shall provide evidence of such insurance to the Town of Union. The policies or certificates thereof shall provide that thirty (30) days prior to cancellation or material change in the policy, notices of the same shall be given to the Town of Union for all the following stated insurance policies.

If at any time any of the policies required herein shall be or become unsatisfactory to the Town, as to form or substance, or if a company issuing such policy shall be or become unsatisfactory to the Town, the firm shall upon notice to that effect from the Town, promptly obtain a new policy, and submit the same to the Town of Union. Upon failure of the firm to furnish, deliver and maintain such insurance, the agreement, at the election of the Town, may be declared suspended, discontinued or terminated. Failure of the firm to take out, maintain, or the taking out or maintenance of any required insurance, shall not relieve the firm from any liability under the agreement, nor shall the insurance requirements be construed to conflict with or otherwise limit the contractual obligations of the firm concerning indemnification. All property losses shall be made payable and adjusted with the Town.

In the event that claims, for which the Town may be liable, in excess of the insured amounts provided herein are filed by reason of any operations under the agreement, the amount of excess of such claims or any portion thereof, may be withheld from payment due or to become due the firm until such time as the firm shall furnish such additional security covering such claims in form satisfactory to the Town of Union.

2. The firm shall provide proof of the following coverage:
 - a. Workers' Compensation. Certificate for C-105.2 or State Fund Insurance Company form U-26.3 is required for proof of compliance with the New York State Workers' Compensation Law. State Workers' Compensation form DB-120.1 is required for proof of compliance with the New York State Disability Benefits Law.

Where a firm claims to not be required to carry either a workers' compensation policy or disability benefits' policy, or both, the firm must provide a completed affidavit form WC/DB-100 approved (stamped) by NYS Workers' Compensation Board.

If the firm is self-insured for workers' compensation a certificate from the New York State Worker's Compensation Board evidencing that fact must be provided to the Town of Union.

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- b. Employer’s liability with a minimum limit of \$100,000.
 - c. Commercial general liability insurance with a minimum limit of liability per occurrence of \$1,000,000 and \$2,000,000 aggregate, naming the Town of Union as additional insured. The firm will ensure their general liability policy does not include the following exclusions:
 - i. Contractual Liability Endorsement (CG 21 39)
 - ii. Amendment of Insured Contract Definition (CG 24 26)
 - d. Professional Liability. The firm shall provide proof of such insurance. Limits of \$1,000,000 per occurrence/\$3,000,000 aggregate.
3. All policies of the firm shall be endorsed to contain the following clauses:
- a. Insurers shall have no rights to recover or subrogation against the Town of Union (including its employees and other agents and agencies), it being the intention of the parties that the insurance policies so affected shall protect both parties and be primary non-contributory coverage for any and all losses covered by the above described insurance.
 - b. The clause “other insurance provisions” in a policy in which the Town of Union is named as an insured, shall not apply to the Town of Union.
 - c. The insurance companies issuing the policy or policies shall have no recourse against the Town of Union (including its agents and agencies as aforesaid) for payment of any premiums or for assessments under any form of policy.
 - d. Any and all deductibles in the above described insurance policies shall be assumed by and be for the account of, and at the sole risk of, the firm.