

Town of Merton

Request for Proposals



RFP #: 2018-1

Title: Actuarial Valuation Services

Due Date: July 3, 2018

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1.0 GENERAL INFORMATION

1.1 Introduction and background

The purpose of this document is to provide interested parties with information to enable them to prepare and submit a proposal for actuarial services. The Town of Merton intends to use the results of this solicitation to award a contract for actuarial services.

1.2 Scope of the project

1.2.1 Project Description

The Town of Merton (“Town”) is seeking a qualified actuary firm to provide valuation of other post-employment benefits (OPEB), as defined in Statements 74 and 75 of the Government Accounting Standards Board. GASB statements 74 and 75 are new requirements for the Town, which has not valued these benefits in the past.

1.2.2 Objectives

The Town is seeking proposals from qualified vendors to assist in an actuarial valuation of post-employment benefits, other than pension (OPEBs) in compliance with Governmental Accounting Standards Board (GASB) Statements 74 and 75 as appropriate. The GASB sets reporting standards for the preparation of financial reports for state and local governments. Both Statements 74 and 75 were approved in June 2015. Statement 74 is effective for fiscal years beginning after June 15, 2016. Statement 75 is effective for fiscal years beginning after June 15, 2017. This Statement requires the liability of employers and non-employer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of the projected benefit payments to be provided to current active and inactive employees that is attributed to those employees’ past periods of service (total OPEB liability), less the amount of the OPEB plan’s fiduciary net position.

1.2.3 Needs

The Town of Merton seeks assistance in the calculation of the actuarial accrued liability of its OPEBs as defined and adopted within Statements 74 and 75. The actuary will provide the Town information needed to present the appropriate assumptions and schedules in its financial statements as required by GASB 74/75.

1.2.4 Description of OPEBs

Health insurance implicit rate subsidy. The Town is fully insured through the Wisconsin Public Employers’ Group Health Insurance program – Its Your Choice 2018 Local Traditional Plan Insurance for Employees and Retirees. Full-time employees (employees that work 2,080 hours in a calendar year for employees other than library employees and library employees that work 1,820 hours in a calendar year) are eligible for the Town’s insurance plan. For full-time employees, for both family and single coverage, the Town pays 105% of the Low Cost Qualified Plan. This amount is calculated by Employee Trust Funds (ETF). The employees that pick a plan where the premium is greater than 105% of the Low Cost Qualified Plan, must pay the difference between the premium and the amount contributed by the Town. Certain part-time employees are also eligible for the Town’s health insurance plan. Those part-time employees who qualify for Wisconsin Retirement are able to join the Town’s health insurance plan. However, for part-time employees, the Town only pays a prorated percentage of the ETF calculated amount (105% of the Low Cost Qualified Plan) for either family or single coverage, based on hours worked. Part-time employees would pay the difference in the premium charged and the Town’s portion paid.

Retirees are able to remain on the Town’s health insurance plan after their retirement; however, they pay the full cost of the premium. Retirees have the same premium rates as active employees unless at least one insured family member is eligible for Medicare. Because the insurance premium rates that are charged to

retirees are, presumably lower, and the rates paid for the Town for active employees are, presumably, higher than the rates would be if the retirees were rated separately, an implicit rate subsidy exists.

1.2.5 Description of Town Health Insurance

For fiscal year 2018, the Town has nine (9) full-time employees and six (6) part-time employees eligible for the Town’s health insurance. Of those employees, ten (10) active Town employees are covered by this program. Nine (9) of the employees on the Town’s plan are full-time employees and one (1) of the employees on the plan is a part-time employee. There are no retirees on the Town’s health insurance plan.

2018 Carrier	Participation
WEA Trust East	
Family	1
Dean	
Family	1
Network Health	
Family	1
Quartz Community	
Family	7
Total	10

A copy of the plan information for all of the individual plan choices is available at the following link:

<http://etf.wi.gov/members/1YC2018/et-2128home.asp>

1.2.6 Description of Relevant Policies

All Town employee covered under the group health care plan upon retiring is eligible to continue coverage at his or her own expense. This policy applies to all employees. No unique eligibility requirements exist for group/bargaining units.

1.3 Procurement contact

This Request for Proposal (RFP) is issued by the Town of Merton. The person responsible for managing the procurement process is Donna Hann, Town Clerk-Deputy Treasurer.

1.4 Clarification and/or revisions to the specifications and requirements

Any questions concerning this RFP must be submitted in writing on or before June 15, 2018 to:

Donna Hann, Town Clerk-Deputy Treasurer
W314N7624 Hwy. 83, PO Box 128, Merton, WI 53064
262-966-2651 (phone)
262-966-2801 (fax)
clerk@townofmerton.com

Vendors are expected to raise any questions, exceptions, or additions they have concerning the RFP DOCUMENT at this point in the RFP process. If a vendor discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this RFP, the vendor should notify immediately the above named individual of such error and request modification or clarification of the RFP.

In the event that it becomes necessary to provide additional clarifying data or information, or to revise any part of this RFP, revisions/amendments and/or supplements will be provided to all recipients of this initial RFP.

Each proposal shall stipulate that it is predicated upon the requirements, terms, and conditions of this RFP and any supplements or revisions thereof.

Any contact with Town employees concerning this RFP are prohibited, except as authorized by the RFP manager during the period from date of release of the RFP until the notice of intent to contract is released.

1.5 Calendar of events

Listed below are specific and estimated dates and times of actions related to this Request for Proposal (RFP). The actions with specific dates must be completed as indicated unless otherwise changed by the Town. In the event that the Town finds it necessary to change any of the specific dates and times in the calendar of events listed below, it will do so by issuing a supplement to this RFP. There may or may not be a formal notification issued for changes in the estimated dates and times.

DATE	EVENT
May 31, 2018	Date of issue of the RFP.
June 15, 2018	Last day for submitting written inquires.
June 25, 2018	Mail notification to vendors of supplements or revisions to the RFP.
July 3, 2018	Proposals due from vendors.
July 9-11, 2018	Possible oral presentations from vendors
July 24, 2018	Notification of intent to award sent to vendors.
August 6, 2018 (est.)	Contract start date.

1.6 Contract term and funding

The contract shall be effective on the date indicated on the contract execution date and shall run for one year from that date.

1.7 Audit

The Town’s auditors will review the results of the evaluation but this engagement will not require extensive interaction.

1.8 Public Records

Proposers are hereby notified that all information submitted in response to this RFP may be made available for public inspection according to the Public Records Law of the State of Wisconsin or other applicable public record laws. Information qualifying as a “trade secret” – defined in the State of Wisconsin Statutes – may be held confidential.

Proposers shall seal separately and clearly identify all information they deem to be “trade secrets,” a defined in the State of Wisconsin Statutes. Do not duplicate or co-mingle information, deemed confidential and sealed, elsewhere in your response.

The Town cannot ensure that information will not be subject to release if a request is made under applicable public records laws. The Town cannot consider the following confidential: a bid in its entirety, price bid information, or the entire contents of any resulting contract. The Town will not provide advance notice to Proposers prior to release of any requested record.

To the extent permitted by such laws, it is the intention of the Town to withhold the contents of Proposals from public view – until such times as competitive or bargaining reasons no longer require non-disclosure, in the Town’s opinion. At that time, all proposals will be available for review in accordance with such laws.

1.9 Other Actuarial Services

The Town does not have contracts for other actuarial services with regards to the health plan.

1.10 Tax Exempt

The Town of Merton, as a municipality, is exempt from the payment of federal excise taxes (Registration Number 39-73-0411-K) and State of Wisconsin taxes per Wisconsin statute 77.54(9a). The Town's federal tax ID is 39-6006099 and the Town's Certificate of Exempt Status (CES) number is 004-0000173742-01.

1.11 Proposers Responsibility

Proposers shall examine this RFP and shall exercise their judgment as to the nature and scope of the work required. No plea of ignorance concerning conditions or difficulties that exist or may hereafter arise in the execution of the work under the resulting contract, as a consequence of failure to make necessary examinations and investigations, shall be accepted as an excuse for any failure or omission on the part of the Proposers to fulfill the requirements of the resulting contract.

1.12 Results

The Town will need the results of the actuarial valuation reported by service function. For 2017, there were four (4) service functions. The Town does not anticipate changes for 2018.

2.0 PREPARING AND SUBMITTING A PROPOSAL

2.1 General instructions

The evaluation and selection of a contractor and the contract will be based on the information submitted in the vendor's proposal plus references and any required on-site visits or oral interviews. Failure to respond to each of the requirements in the RFP may be the basis for rejecting a response.

Elaborate proposals (e.g., expensive artwork), beyond that sufficient to present a complete and effective proposal, are not necessary or desired.

2.2 Incurring costs

The Town of Merton is not liable for any cost incurred by proposers in replying to this RFP.

2.3 Submitting the proposal

Proposers must submit an original and one other copy of all materials required for acceptance of their proposal by July 3, 2018 at 4:00 p.m. to:

Donna Hann
Town Clerk-Deputy Treasurer
W314N7624 Hwy. 83, PO Box 128, Merton, WI 53064

Proposals must be received in the above office by the specified time stated above. All proposals must be time-stamped as accepted by the Town Hall by the stated time. Proposals not so stamped will not be accepted.

To ensure confidentiality of the document, all proposals must be packaged, sealed and show the following information on the outside of the package:

- Proposer's name and address
- Request for proposal title
- Request for proposal number
- Proposal due date

An original plus one (1) copy of the Cost Proposal must be sealed and submitted as a separate part of the proposal. The outside of the envelope must be clearly labeled with the words “Cost Proposal, RFP (Name of RFP)” and name of the vendor and due date. The cost proposal is due to the addressee on the due date and time noted above.

2.4 Proposal organization and format

Proposals should be typed and submitted on 8.5 by 11 inch paper bound securely. Proposals should be organized and presented in the order as noted in the RFP. Proposals must be organized with the following headings and subheadings. Each heading and subheading should be separated by tabs or otherwise clearly marked. The RFP sections which should be submitted or responded to are:

Cover page (2 pages maximum)

Response to general requirements (5 pages maximum, not including resumes)

Introduction (2 pages maximum)

Firm experience (2 pages maximum)

Staff qualifications (1 page maximum, not including resumes)

Response to technical requirements (20 pages maximum)

Cost proposal

Required forms

Appendix A: Vendor Information

Appendix B: Vendor Reference

Appendix C: Signature Affidavit

Appendix D: Cost Proposal

The vendor must submit its Cost Proposal on the form provided in Appendix D according to the instructions provided.

No mention of the cost proposal may be made in the response to the technical requirements of this Request for Proposal.

2.5 Multiple proposals

Multiple proposals from a vendor will be permissible; however, each proposal must conform fully to the requirements for proposal submission. Each such proposal must be submitted separately and labeled as Proposal #1, Proposal #2, etc. on each page included in the response. Alternate acquisition plans do not constitute multiple proposals.

2.6 Oral presentations and site visits

Proposers may be asked to attend meetings or make oral presentations as part of this RFP process. Such presentations and meetings will be at the Proposers expense.

2.7 Withdrawal of proposals

Proposals shall be irrevocable until contract award unless the proposal is withdrawn. Proposers may withdraw a proposal in writing at any time up to the proposal closing date and time or upon expiration of two (2) business days after the due date and time if received by the RFP project manager. To accomplish this, the written request must be signed by an authorized representative of the proposer and submitted to the RFP project manager. If a previously submitted proposal is withdrawn before the proposal due date and time, the proposer may submit another proposal at any time up to the proposal closing date and time.

3.0 PROPOSAL SELECTION AND AWARD PROCESS

3.1 Preliminary evaluation

The proposals will be reviewed initially to determine if mandatory requirements are met. Failure to meet mandatory requirements will result in rejection of the proposal. In the event that all vendors do not meet one or more of the mandatory requirements, the Town reserves the right to continue the evaluation of the proposals and to select the proposal which most closely meets the requirements specified in this RFP.

3.2 Proposal scoring

The cost proposals will be calculated with the most points awarded to the proposal with the lowest cost. Other cost proposals will be assigned points that correlate to those assigned to the lowest cost proposal.

3.3 Evaluation criteria

The proposals will be scored using the following criteria:

<u>Description</u>	<u>Percent</u>
1. General requirements	
a. Organization, size and structure of firm	5%
b. Availability and qualifications of staff	5%
c. Past experience and performance	5%
2. Technical requirements	
a. Scope of services	20%
b. Project approach	20%
3. Cost	40%
4. References	<u>5%</u>
Total:	<u>100%</u>

3.4 Right to reject proposals and negotiate contract terms

The Town reserves the right to reject any and all proposals. The Town may negotiate the terms of the contract, including the award amount, with the selected proposer prior to entering into a contract. If contract negotiations cannot be concluded successfully with the highest scoring proposer, the agency may negotiate a contract with the next highest scoring proposer.

3.5 Award and final offers

The Town will compile the final scores (technical and cost) for each proposal. The award will be granted in one of two ways. The award may be granted to the highest scoring responsive and responsible proposer. Alternatively, the highest scoring proposer or proposers may be requested to submit final and best offers. If final and best offers are requested by the Town and submitted by the vendor, they will be evaluated against the stated criteria, scored and ranked by the evaluation committee. The award then will be granted to the highest scoring proposer. However, a proposer should not expect that the Town will request a final and best offer.

All vendors who respond to this RFP will be notified in writing of the Town's intent to award the contract(s) as a result of this RFP.

After notification of the intent to award is made, and under the supervision of agency staff, copies of proposals will be available for public inspection from 8:00 a.m. to 4:00 p.m. at the Town Hall. Vendors should schedule reviews with Donna Hann at 262-966-2801.

4.0 GENERAL PROPOSAL REQUIREMENTS

4.1 General Requirements

- 4.1.1 Introduction (Maximum 2 pages) – Describe your firm’s organization and size (local, regional, national and international) in relation to providing Actuarial Services. Include the location of the office from which this engagement will be serviced and the range of activities performed at that office.
- 4.1.2 Firm Experience (Maximum 2 pages) – Describe your firm’s experience as actuary. Please indicate any current or past engagements with local governments in the valuation of pensions or OPEB’s.
- 4.1.3 Staff Qualifications (Maximum 1 page not including resumes) – Provide resumes describing the educational and work experiences for each of the key staff that would be assigned to the project. Identify the staff person that will serve as manager and primary contact for the Town. Key factors considered are education, positions in the firm and years of experience.

4.2 Technical Requirements (Maximum 20 pages)

- 4.1.1 Scope of services – Describe and provide an actuarial report example which includes the new GASB 74 & 75 requirements.
- 4.1.2 Project approach – describe your approach to the valuation of the Town’s OPEBs.

4.3 Cost Proposal

General Instructions on Submitting Cost Proposals – the cost proposal must be sealed separately from the rest of the written proposal. Cost will be scored using a standard quantitative calculation where the most points are awarded to the lowest cost. Cost proposals shall be quoted as a fixed fee for services. Fees quoted should include all necessary expense including, but not limited to: travel, telephone, copying and other out of pocket expenses.

Format for Submitting Cost Proposals – The sealed dollar proposal must contain all pricing information relative to providing actuarial services described in the RFP. The total all-inclusive maximum price proposed is to contain all direct and indirect costs including all out-of-pocket expenses.

Fixed Price Period – All prices, costs and conditions outline in the proposal shall remain fixed and valid for the entire length of the contract.

4.4 Proposer references (Appendix D)

Each vendor must include in their proposal, a list of organizations, including points of contact, with similar governmental engagements, which can be used as references for work performed in the area of service required (Actuarial Valuation Service). Selected organizations may be contacted to determine quality of work performed and personnel assigned to the project. The results of the references will be provided to the evaluations team and used in scoring the written proposals.

5.0 REQUIRED FORMS

The following forms must be completed and submitted with the proposal in accordance with the instructions given in Section 2.4. Blank forms are attached.

- Appendix A: Vendor Information
- Appendix B: Vendor References
- Appendix C: Signature affidavit
- Appendix D: Cost Proposal

VENDOR INFORMATION

1. BIDDING / PROPOSING COMPANY NAME _____

FEIN _____

Phone () _____ Toll Free Phone () _____

FAX () _____ E-Mail Address _____

Address _____

City _____ State _____ Zip + 4 _____

2. Name the person to contact for questions concerning this bid / proposal.

Name _____ Title _____

Phone () _____ Toll Free Phone () _____

FAX () _____ E-Mail Address _____

Address _____

City _____ State _____ Zip + 4 _____

3. Any vendor awarded over \$25,000 on this contract must submit affirmative action information to the Town. Please name the Personnel / Human Resource and Development or other person responsible for affirmative action in the company to contact about this plan.

Name _____ Title _____

Phone () _____ Toll Free Phone () _____

FAX () _____ E-Mail Address _____

Address _____

City _____ State _____ Zip + 4 _____

4. Mailing address and person the department may contact concerning orders and billings.

Name _____ Title _____

Phone () _____ Toll Free Phone () _____

FAX () _____ E-Mail Address _____

Address _____

City _____ State _____ Zip + 4 _____

5. CEO / President Name _____

VENDOR REFERENCE

FOR VENDOR: _____

Provide company name, address, contact person, telephone number, and appropriate information on the product(s) and/or service(s) used for four (4) or more installations with requirements similar to those included in this solicitation document. If vendor is proposing any arrangement involving a third party, the named references should also be involved in a similar arrangement.

Company Name _____

Address (include Zip + 4) _____

Contact Person _____ Phone No. _____

Product(s) and/or Service(s) Used _____

Company Name _____

Address (include Zip + 4) _____

Contact Person _____ Phone No. _____

Product(s) and/or Service(s) Used _____

Company Name _____

Address (include Zip + 4) _____

Contact Person _____ Phone No. _____

Product(s) and/or Service(s) Used _____

Company Name _____

Address (include Zip + 4) _____

Contact Person _____ Phone No. _____

Product(s) and/or Service(s) Used _____

Town of Merton

Request for Proposal: RFP 2018-1 Actuarial Valuation Services

Signature Affidavit

In signing proposals, we certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise take any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit proposals, that proposals have been independently arrive at, without collusions with any other proposers, competitor or potential competitor; that proposals have not been knowingly disclosed prior to the opening of proposals to any other proposers or competitor; that the above statement is accurate under penalty of perjury.

The undersigned, submitting this proposal, hereby agrees with all the terms, conditions, and specifications required by the Town in this Request for Proposals, declares that the attached proposal and pricing are in conformity therewith, and attests to the truthfulness of all submissions in response to this solicitation.

Proposers shall provide the information requested below. Include the legal name of the proposers and the signature of the person(s) legally authorized to bind the proposers to a contract.

Company Name

Signature

Date

Printed Name of Person Signing

Cost Proposal
RFP#: 2018-1 Actuarial Valuation Services

Prepare the fee proposal as all inclusive, not-to-exceed, fixed fees:

- All inclusive – covers all direct and indirect necessary expenses including but limited to: travel, telephone, copying, and other out-of-pocket expenses.
- Not to Exceed – The actual fees shall not exceed the amount specified in fee proposal.
- Fix Fee – All prices, rates, fees and conditions outlined in the proposal shall remain fixed and valid for the entire length of the contract.

Any pricing increases or additions must be agreed upon in writing by both parties.

Company name