

Request for Proposal – Township of West Earl

INTRODUCTION

The Township of West Earl, Lancaster County, is issuing this request for proposal (RFP) to obtain written proposals for firms to provide actuarial services to its two defined benefit pension plans. This Request for Proposal provides additional introductory information, describes the general scope of work, sets forth proposal requirements, and outlines the Township selection procedures.

BACKGROUND

The Township of West Earl is located in Lancaster County, Pennsylvania and has two defined benefit pension plans, one for its Police and one for its Non-Uniformed (or general) Employees.

QUALIFICATIONS AND PROFESSIONAL STAFF

Minimum Qualifications- Applicants responding to this RFP shall submit data demonstrating they meet or exceed the following minimum qualifications:

1. The firm is a professional actuarial firm that provided actuarial valuations, experience investigation, and pension consulting services to at least 30 Government entities and or municipal pension plans; at least 5 of these Pennsylvania municipalities shall be current Second Class Township clients.
2. The principal actuary who will be responsible for the plan is an enrolled actuary and is certified to perform actuarial services under Act 205 and has a minimum of twenty years of experience of providing actuarial services to Pennsylvania municipalities.
3. The proposal must be signed by the principal actuary and must state the name, title, address, phone number, fax and Internet address of a contact person who is authorized to provide clarification of the proposal should it be necessary.

Experience with Pennsylvania Municipal Retirement Plans – Each proposal must answer the following questions and supply information as requested:

1. Actuaries and Actuarial Staff:
 - a. Principal Actuary: Identify the principal actuary by name and give the year such actuary became an enrolled actuary under Section 3042 of the Employees' Retirement Income Security Act of 1974 and the number of years of experience with Pennsylvania municipal retirement plans, and retirement plans in general, for which the principal actuary has primary client responsibility. Please include a copy of the Principal Actuary's resume.
 - b. Identify other actuaries employed by the actuarial consulting firm who are certified to perform actuarial services under Act 205 and the number of years of experience with

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Pennsylvania municipal retirement plans. Please include resumes of other actuaries who will be providing services under the proposed contract with West Earl Township.

- c. Provide the total number of enrolled actuaries employed by the actuarial consulting firm.
 - d. Provide the number of actuarial support staff who performs actuarial calculations for Pennsylvania municipal retirement plans.
 - e. Identify any advisors or subcontractors who will assist in the performance of services described in the scope of services.
2. Firm History and Operations
- a. For how many years has the firm been providing actuarial services?
 - b. For how many years has the firm been providing actuarial services to Pennsylvania Municipal Retirement Plans?
 - c. For how many Pennsylvania Municipal Retirement Plans if your firm currently providing actuarial services?
 - d. Please identify the location of the primary office that will provide services for each of the pension plan.
 - e. Describe the ownership structure of the firm, including the relationships of each branch office to the branch offices and to the headquarters. Identify the individual or individuals who have overall responsibility for the firm's operations.
 - f. Please describe any material developments in the ownership structure of your organization over the past three years. Describe any planned material changes in your organization in detail.
 - g. How many employees are located at the branch office that will be responsible for services under this proposal?
 - h. If the client contact person is other than the principal actuary, please identify who will be the client contact person on the account?
 - i. Describe the firm's computer capabilities in detail?
 - j. Provide details regarding your insurance policy for professional liability coverage and any other coverage that is relevant to the services you would be providing to West Earl Township if selected. Please include a certificate of insurance with your application materials.

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SCOPE OF SERVICES TO BE PROVIDED FOR THE TOWNSHIP OF WEST EARL PENSION PLANS

Regular Services

The successful actuarial firm will be required to perform the following actuarial services for the Pension Plans:

1. Prepare the actuarial valuation reports as of January 1 of each odd-numbered year, beginning January 1, 2019. The reports include benefit information on all members in the plans, as well as plan funding information. The valuation process should include a review of the actuarial assumptions as well as the plan's overall condition.
2. Prepare the Act 205 forms to be submitted to the Public Employee Retirement Commission every other year, beginning January 1, 2019.
3. Prepare annual benefit statements showing benefit information for each member of the plan beginning January 1, 2019.
4. Determine the minimum municipal obligation (MMO) required by Act 205 to be submitted by the Chief Administrative Officer to the governing body by September 30 of each year. Provide to Township by September 1st of each year.
5. Prepare annual financial statements pursuant to GASB 25 & 27.
6. Review and comment on the Township prepared form – AG-385.
7. Process all benefit calculations, including but not limited to those calculations for retiring employees, employee terminations, and changes in pension benefit due to COLA.
8. Maintain a list of all active, terminated vested and retired members (including beneficiaries) of each plan, and include their date of entry into the plan, annual wages, members' contributions, accumulated contributions, pension benefits, termination date, and retirement date.
9. Update the Township on any changing legislation and regulations that are relevant to the administration of the pension plans.

Additional Services

The successful actuarial firm will be required to perform the following actuarial services upon request of the Township.

1. Provide actuarial studies for benefits cost estimates and additional actuarial services upon the request of the Township.
2. Provide the necessary documentation or actuarial testimony during labor negotiations.
3. Prepare or consult in the preparation of plan documents including amendments, Summary Plan Descriptions, and ordinance or resolutions as needed by the Township.
4. Provide assistance and attend meetings as required or requested by Township Management and the Board of Supervisors.

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REFERENCES

Please list five (5) Pennsylvania municipal clients for whom the firm has provided actuarial services within the past year. At least three (3) of the referenced clients must be clients who have been serviced by the principal actuary who will be assigned to the Township of West Earl. For each reference listed, include the name of the municipality, the contact person at the municipality, telephone number and email address.

DISCLOSURE STATEMENT

All applicants must attach to their proposals a complete Disclosure Statement using the form attached hereto as Appendix "A" establishing your compliance with the Township's Policies and Procedures for the Procurement of Professional Services in Compliance with Act 44 of 2009, attached hereto as Appendix "B". If the responses on the Disclosures Form reveal that there are any conflicts of interest, the application will be disqualified from consideration. If you are selected to perform actuarial services for the Township, you must complete and return a Disclosure Form on or before December 1 of each year in which the contract is in effect.

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FEES

Please provide the following information regarding fees:

REGULAR ACTUARIAL SERVICES

Annual fee in years in which an actuarial valuation Report is required under Act 205:	\$ _____
Annual fee in years in which an Actuarial Valuation Report is not required under Act 205:	\$ _____

ADDITIONAL SERVICES

Hourly billing rates for principal actuary assigned to the Plan:	\$ _____
Hourly billing rates for actuarial support staff assigned to the Plan:	\$ _____

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Bidders should submit their proposals to:

Candie L. Johnson
Township Manager
West Earl Township
PO Box 787
157 W Metzler Road
Brownstown, PA 17508

Or by email to: cjohnson@westearltwp.org

Hard copies or electronic submissions of Proposals must be received in writing no later than **4:00 p.m.** on **Friday, August 18, 2017.**

No exceptions to this deadline will be allowed unless the Township extends the deadline, whereupon it will notify recipients of the RFP. Your response to the RFP shall be no more than ten (10) pages. You should submit seven (7) copies of the proposal. Submission of proposals or any portion thereof via FAX, electronic or magnetic media shall not be accepted.

Any firm that wishes to correct, amend or supplement their proposal must do so prior to the filing deadline and must do so by withdrawing its proposal in its entirety and submitting a complete, corrected proposal package. Modification in any other manner will not be accepted.

Proposals become the property of the Township of West Earl upon submission and will not be returned.

All costs for developing proposals are entirely the responsibility of the firm and shall not be chargeable to the Township of West Earl. The Township accepts no responsibility for lost or late delivery of proposals.

Applicant may not communicate with any officer or employee of the Township prior to the award of a contract in accordance with Act 44 of 2009, except to seek clarification regarding the information in this RFP or the requirements of a proposal, or to answer questions of the Township seeking clarification. All questions shall be in writing and be directed only to Candie Johnson, Township Manager, at the address above, or by fax to (717) 859-3499 or email at cjohnson@westearltwp.org. Questions must be received by **10:00 a.m.** on **Thursday, August 10, 2017.** All questions and answers, if answers can be provided, will be distributed to all RFP recipients prior to the submission deadline. It is the responsibility of each applicant who is interested in receiving answers to questions to notify Candie Johnson by email to provide the name and contact information of the individual to receive such communications.

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EVALUATION PROCEDURES AND CRITERIA

Only proposals that meet the Minimum Qualifications and demonstrate that there are no conflicts of interest will be evaluated. The evaluation process will involve several steps. The initial responses to the RFP will be evaluated by the members of the Pension Advisory Committee. The Pension Advisory Committee will choose a list of finalists, interview finalist if necessary, and make a recommendation to the Board of Supervisors, who will then select a party to which a contract shall be awarded. In all phases of the selection process, firms will be evaluated using the following criteria:

- The applicant's organizational background and resources;
- Sufficiency of insurance coverage;
- The applicant's qualifications, experience, and expertise related to Pennsylvania municipal pensions;
- The applicant's approach to managing risk and research capabilities;
- The applicant's knowledge of Act 205;
- The quoted fee(s) associated with the desired service(s) sought;
- The applicant's availability to meet with the Board of Supervisors (or Pension Advisory Committee) for periodic review;
- The response of the references provided by the applicant; and
- The ultimate confidence that the applicant is able to meet the Township's goals.

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MISCELLANEOUS PROVISIONS

The Township reserves the right to cancel this RFP at any time and to reject any and all proposals submitted in response to this RFP, if the Board of Supervisors determines that such action or actions to be in the best interest of the membership of the pension plans.

The Township also reserves the right to request clarification of any submission, modify or alter the Scope of Services and solicit new submissions, reject any or all submissions, and waive immaterial irregularities in any submission.

By submitting an application, each applicant is attesting that they are aware of the mandates enacted by the General Assembly under Act 44 of 2009 and have read and understand West Earl Township's Policies and Procedures for Procurement of Professional Services in Compliance with Act 44 of 2009, which is attached hereto as Appendix "B" and available on the Township's website.

The Township does not intend to entertain limited liability clauses of any type with the winning bidder.