

County of Newberry

Request for Statements of Qualifications

Request for SOQs No. 2008-018

August 25, 2008

**Actuarial Services to Determine “Other Post Employment Benefits”
 (“OPEB”) under the Governmental Accounting Standards Board’s (“GASB’s”) Statements 43 and 45**

Purpose:

The County of Newberry (SC) is seeking statements of qualifications from actuarial firms experienced in successfully estimating the present and future liabilities of counties and other local government units with regard to post-employment benefits for retired employees as required under the Governmental Accounting Standards Board’s (GASB’s) Statements 43 and 45.

Contact Information:

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Deadline:

Firms wishing to be considered for this project must submit complete statements of qualifications no later than 5:00 p.m. on Tuesday, September 23, 2008 local (Eastern Time Zone) time.

Completion Date:

The selected firm will be required to complete all work associated with this purpose no later than January 15, 2009.

Description of Study:

The requested study will fulfill the following purposes:

- Assist the County in complying with GASB Standards 43 and 45 with respect to OPEB.
- Determine the County’s projected cash requirements for honoring retiree benefit plans.

- Assist the County in making budget and related financial decisions with regard to future OPEB liabilities.

Objectives:

Pursuant to the Governmental Accounting Standards Board's ("GASB's") Statements 43 and 45 concerning Other Post-Employment Benefits ("OPEB"), the County desires to have conducted an actuarial study that will provide an accurate calculation of its OPEB liabilities. The County expects that the liability calculations associated with this actuarial study will illuminate the impact of post-employment benefits on its financial resources. This Request for SOQs has been issued for the purpose of obtaining proposals from responsible, qualified, and experienced actuarial consulting firms.

The County anticipates that the selected firm will provide an evaluation and forecast of its future liabilities with respect to post-employment/retirement benefits. The report should allow the County to achieve the following objectives:

- Quantify the County's OPEB liabilities
- Describe fully the present and future financial implications of this obligation
- Indicate the impact of GASB Statements 43 and 45 on the County's financial statements
- Suggest and evaluate workable alternatives to mitigate the County's OPEB liability

Scope of Services:

- Perform an actuarial valuation of the County's obligation to provide post-employment/retirement benefits to current and recent retirees.
- Determine the present value of future benefit obligations identified in the actuarial valuation.
- Estimate the portion of the present value of future benefits attributable to prior service.
- Prepare a cash-flow projection of the anticipated expenditures for post-employment benefits for the next thirty years.
- Provide workable suggestions that would mitigate the County's calculated OPEB liabilities.
- Provide the County with a detailed written report that is comprehensive of the actuarial study, analyses, and conclusions.

- Illustrate the financial impact of alternatives for mitigating the County's calculated OPEB liabilities.

Submission Content:

The requested statements of qualifications should include the following information, presented in a clear, comprehensive, and concise manner, to illustrate the firm's capabilities and technical approach to actuarial work of this nature.

- Firm contact information, including firm name, business address, telephone and fax numbers, email addresses, and an identified point of contact
- Summaries of education and experience of professionals and support staff the firm would assign to this project, along with the hourly rates of compensation for each (include all relevant academic credentials and professional designations & certificates)
- Indications of past clients' satisfaction with similar projects, including the names, addresses, and telephone numbers of contact persons for client
- Description of the firm's technical/methodological approach to this and similar projects, including but not limited to the following factors:

Selection of actuarial method

Predictions of morbidity rates and other relevant indices of demographic change

Assumptions pertaining to employee turnover

Projections of future health care costs and health insurance premium trends

Selection of discount rate in determining the present value of future obligations

Rationale for recommendations to mitigate future OPEB liabilities

- Illustrations/examples of the firm's ability to meet prescribed deadlines
- A listing of reports, data sets, and other information the County would be required provide to ensure the study's completion

- Sample report documents produced by the firm in projects of similar type and scope
- General description of the firm, including number of years in business, size, customer base and financial position as a going concern

Interviews:

The County will conduct interviews with as many as three responsible firms that it finds, in its own discretion, capable of completing the project. Interviews may be held by conference call in lieu of extensive travel by the interviewee.

General Terms and Conditions:

Newberry County reserves the right to reject any and all firms responding to this solicitation, to waive certain requirements where doing so is in the County's interest, and/or to select the firm it deems most responsive and qualified.

Selection Criteria:

The criteria for selection of the firm to provide these services shall be at the sole discretion of Newberry County. The County will consider proposal contents, references, experience, education, and other indicators of professional ability in determining no less than two finalist firms. The awarding of a contract for this project is at the discretion of Newberry County Council.