

MARCH 9, 2018



REQUEST FOR PROPOSALS

ACTUARIAL VALUATION – GASB No. 75

GREATER PEORIA MASS TRANSIT DISTRICT
2105 NE JEFFERSON AVE., PEORIA, IL 61603

REQUEST FOR PROPOSAL – COVER PAGE

Issue Date: March 9, 2018

Title: Actuarial Valuation – GASB No. 75

Reference Number: RFP# NF-2018-02

Issuing and Using Agency: Greater Peoria Mass Transit District
Attn: Martha Howarter, Federal Programs
2105 NE Jefferson Avenue
Peoria, Illinois 61603-3587

Proposals for Furnishing the Product(s)/Service(s) Described Herein Will Be Received Until:
4:00 PM on April 16, 2018

All Inquiries for Information Should Be Directed To: Address listed above or Phone (309) 679-8142.

**IF PROPOSALS ARE MAILED OR HAND-DELIVERED, SEND DIRECTLY TO:
GPMTD PROCUREMENT, 2105 NE JEFFERSON AVENUE, PEORIA, ILLINOIS 61603-3587.**
The Reference Number, Date and Time of proposal submission deadline, as reflected above, must clearly appear on the face of the returned proposal package.

In Compliance With This Request for Proposals And To All Conditions Imposed Therein and Hereby Incorporated By Reference, The Undersigned Offers And Agrees To Furnish The Goods/Services Described Herein In Accordance With The Attached Signed Proposal Or As Mutually Agreed Upon By Subsequent Negotiation.

Name and Address of Firm:

_____ Date: _____

_____ By: _____
(Signature in ink)

_____ Zip Code: _____ Name: _____
(Please Print)

Telephone: () _____ Title: _____

Fax Number: () _____ FEI/FIN Number: _____

DUNS Number: _____ E-Mail Address: _____

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LEGAL NOTICE

March 9, 2018

REQUEST FOR PROPOSALS
Actuarial Valuation – GASB No. 75 #NF2018-02

The Greater Peoria Mass Transit District (“GPMTD”) is seeking proposals for Actuarial Valuation – GASB No. 75. The scope of work/specifications is outlined in the Request for Proposals (RFP). The successful Proposer shall meet the terms and conditions set forth in this document and all other attachments.

The RFP, which includes the procurement schedule, may be obtained by downloading the document from GPMTD’s website found at www.ridecitylink.org/resources/procurement under ‘Current Projects’. All interested contractors should complete a Contractor’s Registration Form (contained in the RFP) and submit to the listed person, via e-mail. All questions should be directed to:

Martha Howarter, Federal Programs
Greater Peoria Mass Transit District
2105 NE Jefferson Avenue
Peoria, IL 61603-3587
(309) 679-8142
E-mail: mhowarter@ridecitylink.org

All proposals must be received on or before **4:00 pm (CST) on April 16, 2018** at the address listed above.

The right is reserved to accept any proposal/bid or any part or parts thereof or to reject any and all proposals/bids.

Contractor will be required to comply with all applicable Equal Employment Opportunity laws and regulations.

Funding provided in whole or in part by the Illinois Department of Transportation “IDOT”.

SECTION 1 - INSTRUCTIONS TO PROPOSERS

1-1 Introduction

The Greater Peoria Mass Transit District (“GPMTD” or “the District”) is the primary public transportation provider for the greater Peoria region. The GPMTD is a municipal corporation within the State of Illinois. GPMTD provides economic, social, and environmental benefits to the community through progressive, customer focused, transportation service by combining state of the art equipment and facilities with professional, well trained staff.

The District employs approximately 191 full and part-time employees, operates 20 fixed routes within the City of Peoria, City of East Peoria, City of Pekin, Village of Peoria Heights and West Peoria Township and maintains an active fleet of 53 fixed-route buses. In addition to traditional fixed-route service, GPMTD provides complementary ADA paratransit service (“CityLift”) within the service area and owns 38 medium duty vans used for CityLift services. GPMTD has three (3) facilities comprised of an Administration Building and Maintenance Building located at 2015 NE Jefferson, and a Transit Center located at 407 SW Adams.

1-2 Purpose

The Greater Peoria Mass Transit District is seeking proposals to secure the services of qualified firms or individuals to provide Actuarial Services for Other Post-Employment Benefits (OPEB) to comply with GASB No. 75 which establish standards for measurement, display and recognition of OPEB expenses and liabilities associated with GPMTD’s retiree health benefit program. In addition, GPMTD will require all reports, valuations, and financial statement footnotes required by GASB No. 75.

1-3 Proposal Submission

The proposer will submit:

- **One (1) original;**
- **Two (2) hard copies;**

Original and required copies comprised of the completed Request for Proposal – Cover Page (page 2) and Cost Proposal. The package containing the proposal must be clearly marked with the words “**Proposal for Actuarial Valuation – GASB No. 75, RFP #NF2018-02**” and the time and date proposals are due. The District will not accept responsibility for late proposals that may be improperly routed in the mail or otherwise delivered after the prescribed date and time.

The District shall not be responsible for unintentional premature opening of a proposal that has not been properly addressed and identified per the instructions included with this RFP. All proposals are due **NO LATER THAN 4:00 pm (CST), April 16, 2018.**

1-4 Inquiries

The proposer is required to show on all correspondence with the GPMTD the following: **"Proposal for Actuarial Valuation – GASB No. 75, RFP #NF2018-02"**. Any communication with GPMTD should be written and directed to: Martha Howarter, Federal Programs, GPMTD, 2105 NE Jefferson Avenue, Peoria, Illinois 61603-3587. Written communication may also be forwarded via email to mhowarter@ridecitylink.org. Correspondence will not be accepted by any other means or by any other GPMTD staff member.

1-5 Procurement Schedule

The projected schedule for this procurement is:

Request for Proposals available:	March 9, 2018
Deadline for questions and clarifications by 4:00 pm (CST) :	March 23, 2018
<u>Responses Posted</u> by 4:00 pm (CST) :	March 30, 2018
Proposals due by 4:00 pm (CST) :	April 16, 2018
Final Report submitted to District by:	June 15, 2018

1-6 Selection Method

GPMTD shall employ the qualification-based selection in a negotiated purchase method in making the award for this procurement. Accreditation with either an Associate (ASA) or a Fellow (FSA) of Society of Actuaries is required. Experience with health care (OPEB) plans is required. Qualifications of the actuarial staff to perform the Scope of Work is requested. Demonstrated experience working with GASB Statement No. 75. Provide previous experience working with public entities.

1-7 Contract Award

Contract award, if any, will be made by GPMTD to the responsible Proposer whose proposal best meets the requirements of the RFP, and will be the most advantageous to GPMTD with respect to operational plan, quality, and other factors as evaluated by GPMTD. GPMTD shall have no obligations until a Contract is signed between the Proposer and GPMTD.

Contract award will occur when GPMTD signs the Contract or issues a purchase order. No other act of GPMTD shall constitute Contract award. The Contract will establish the Contract value and incorporate the terms of this document, but will not be the authorization for Contractor to proceed.

1-8 Execution of Contract and Notice to Proceed

The Proposer to whom GPMTD intends to award the Contract shall sign the Contract and return it to GPMTD. Upon receipt by GPMTD of any required documentation and submittals by the Proposer, a Notice to Proceed may be issued, if appropriate.

1-9 Ownership of Data

Subject to the rights granted Contractor pursuant to this Agreement, all right, title and interest in and to the data collected and developed during the performance of this contract shall at all times remain the sole and exclusive property of GPMTD. Contractor shall surrender all such data to GPMTD prior to submitting an invoice for final payment.

1-10 Non-Disclosure of Data

Data provided by GPMTD either before or after Contract award shall only be used for its intended purpose. Proposers, vendors, Contractors, and subcontractors shall not utilize or distribute the GPMTD data in any form without the prior express written approval of GPMTD.

SECTION 2 – SCOPE OF WORK

2-1 Introduction/Background

It is the intent of GPMTD to secure the services of qualified firms or individuals to provide Actuarial Services for Other Post-Employment Benefits (OPEB) to comply with GASB No. 75 which establish standards for measurement, display and recognition of OPEB expenses and liabilities associated with GPMTD's retiree health benefit program. In addition, GPMTD will require all reports, valuations, and financial statement footnotes required by GASB No. 75.

As of July 1, 2017, there were 157 full time employees with 147 active participants (see participant summary below). There are currently 35 retiree only and 21 retiree plus spouse eligible for health benefits. An outside consultant calculated GPMTD's Annual Required Contribution (an amount that is actuarially determined in accordance with the parameters of GASB Statement No. 45) in fiscal year 2017 (Actuarial Valuation of the Other Post-Employment Benefit Programs As of July 1, 2015, provided upon request). GPMTD's financial statements are located at <http://www.ridecitylink.org/financial-reports> for additional information.

The GPMTD maintains Hospital and Surgical Benefits for each ACTIVE FULL-TIME EMPLOYEE their families and domestic partner. Employee contributions towards premiums for such insurance shall be paid according to the following schedule:

- EMPLOYEE premiums will be 12% of the total monthly premium.
- EMPLOYEE + 1 premiums will be 12% of the total monthly premium
- EMPLOYEE + 2 premiums will be 12% of the total monthly premium.

The District pays the premium for Hospital and Surgical Benefits for each employee authorized retirement who has a combined age and full years of service equal to at least 90.

The District maintains Hospital and Surgical Benefits for each Employee authorized retirement and their spouses, provided their spouses were enrolled in the District's Hospital and Surgical Plan one (1) year prior to the date of retirement, according to the following schedule:

- a. Authorized Retirees between the ages of fifty-five (55) through fifty-nine (59) pay full cost of insurance premium until age sixty (60) years, if upon retirement they are eligible for I.M.R.F. retirement benefits. At age sixty (60) and above, the District agrees to pay the full premium for the Retiree.
- b. In the case of Spouse Health and Surgical Benefits for Retirees, said Spouse must be sixty (60) or older to be eligible for the District to pay the full premium. Such coverage shall continue beyond the death of the Retiree.
- c. When eligible Retiree and Spouse must enroll in the Federal Medicare Plan.

A summary of health insurance plans that participants are currently enrolled in is provided below.

Coverage	Counts
Employee Only	50
Employee Plus 1	35
Family	62
Waived	<u>10</u>
	<u>157</u>
Retiree Only	35
Retiree Plus Spouse	<u>21</u>
	<u>56</u>

Through this RFP, GPMTD is seeking to engage a qualified actuarial firm to perform the actuarial studies and calculations necessary for GPMTD to comply with GASB No. 75.

2-2 Scope of Work / Specifications

Minimum Requirements of Actuarial Studies

The actuarial studies under GASB No. 75 shall include the following:

Actuarial value of benefits, separately identifying amounts for active employees and retirees, including:

- ** Present Value of Future Benefits
- ** Total OPEB Liability
- ** Fiduciary Net Position
- ** Net OPEB Liability
- ** Service Cost
- ** A ten-year projection of “pay-as-you-go” cost

GASB No. 75 accounting information and disclosures, including:

- ** Schedule of changes in Total OPEB Liability and Fiduciary Net Position
- ** Required discount rate and healthcare cost trend sensitivity analysis
- ** Annual OPEB expense, including all component elements
- ** Schedules of deferred inflows and outflows of resources

Description of:

- ** Plan provisions, including group(s) covered and benefits valued
- ** Actuarial methods
- ** Actuarial assumptions
- ** Data used in the valuation, including age/service distribution table(s)

Actuarial certification, including indication of compliance with Actuarial Standards of Practice No. 41 “Actuarial Communications” and American Academy of Actuaries “Prescribed Statement of Actuarial Opinion”.

GASB No. 75 Actuarial Information

Assume that GPMTD will choose a “12 month prior” Measurement Date (06/30/2017) for GASB No. 75 reporting.

2-3 Deliverables Due Date

The final actuarial report shall be provided to District no later than June 15, 2018.

The Contractor shall provide ten (10) copies of the Report containing the information outlined above as well as a description of the methodology and assumptions used including all related schedules and exhibits. The Contractor shall also provide the Report in an electronic format.

2-3 Cost Proposal

The cost proposal should be a flat rate encompassing all work to complete the actuarial services in compliance with GASB No. 75 reporting.

In addition, please provide a cost proposal for actuarial services in compliance with GASB No. 75 reporting to be conducted in year 2020.

ATTACHMENT A –Cost Proposal

The undersigned hereby declares that he/she has carefully read and examined the Public Notice, the Request for Proposal, terms, and requirements, with all supporting certificates and affidavits, for the services noted herein, and that he/she will enter into contract negotiations for said provision of services, as specified, using the costs identified herein, as the basis for those contract negotiations. **Detailed cost information shall be attached and meet the requirements as described in the Proposal.**

Services	Cost
Actuarial Services – due by June 15, 2015	
Option:	
Actuarial Services conducted in year 2020	

Signature

Company Name

Official's Title

Address

Date

Telephone Number