MUNICIPALITY OF PENN HILLS

POLICE AND NON-UNIFORMED EMPLOYEES' PENSION PLANS

REQUEST FOR PROPOSAL FOR ACTUARIAL SERVICES

ISSUED MAY 5, 2022

Responses Due Friday, June 3, 2022

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Introduction

The following pages are the Municipality's format for requesting proposals for actuarial services for its Police and Non-Uniformed Pension Plans in compliance with Act 44 of 2009. As a minimum, applicants should provide the information requested. Of course, the applicant is free to include additional information as is deemed appropriate.

The Police Plan was establishedOctober1, 1957 under Act 600. It currently has a two-tiered benefit structure due to the January 24, 2001 decision of the PA Supreme Court. Annual automatic COLA's are provided to all retirees. The Non-Uniformed Plan is a defined benefit plan that was established November 1, 1965.

Please review the attached Request for Proposals and respond with one original and 3 copies of your responses on or before 4:00PM on Friday, June 3, 2022.

PROPOSALS SHOULD BE SENT TO PENN HILLS, C/O ACTUARY SERVICES RFP, 102 DUFF ROAD, PITTSBURGH PA 15235. NO ELECTRONIC SUBMISSIONS WILL BE ACCEPTED. PLEASE RESPOND BY PRINTING THE QUESTION AHEAD OF YOUR RESPONSE. REMEMBER TO COMPLETE AND SUBMIT THE DISCLOSURE FORM WITH YOUR PROPOSAL.

A. Services Requested

The Municipality is seeking actuarial services related to its Police and Non-Uniformed Pension Plans. Provide your rate quote based upon the two-year reporting cycle beginning January 1, 2021.

B. Specifications Relating to the Services Requested

The anticipated standard services are detailed below:

- Actuarial Valuation Reports Preparation
- Completion of Act 205 filings
- Annual preparation of the Minimum Municipal Obligation (MMO)
- Biennial Employee Benefit Statements
- One meeting within the cycle to address Municipality's questions and concerns
- Vested, Retirement, and COLA calculations
- GASB 68 reporting
- Routine correspondence and phone calls regarding the Plans

1) What are the fees for the services outlined above?

2) What hourly rate would apply for additional services that are not outlined above?

3) Do you charge separately for expenses, such as computer, phone calls, postage, etc.?

4) Do you utilize an independent third-party firm to perform a portion of the duties? If so, please identify the firm and which duties it will be providing.

5) Do you charge for the transition of services? If so, what are the fees associated?

6) What actuarial cycle is the quoted fee applicable for? What is the fee you propose for the following actuarial cycle?

C. Procedures

The Proposals will be reviewed and evaluated to determine the most qualified applicant, including a review of the applicant's qualifications, experience, expertise, and fees to be charged. Note that the engagement will not necessarily be awarded to the lowest bidder, and an interview of certain respondents may or may not be utilized. The ad associated with this RFP is considered part of this RFP.

The successful responding firm will be engaged to provide actuarial services to the Municipality. It is also understood that fees for anticipated services other than those listed in Section B, such as document review or response to a State audit finding, will be quoted to the Municipality before commencement.

Note that the Municipality may terminate this contract at any time without any notice and that the successful bidder may terminate upon 60 days written notice. There shall be no charges or fees for termination. The Municipality shall, however, pay for any services which were provided through the date of termination.

Note also that the term of the relationship shall automatically continue or "evergreen" at the end of each two-year cycle unless the relationship is terminated by one of the parties pursuant to the terms above.

The Municipality reserves the right to request additional information from any and all respondents, to waive any defect or abnormality, to award or not award all or any portion of the work described herein, to issue modifications to RFPs or otherwise to move forward in the best interest of the Municipality.

D. Firm Description

1) Provide general details on your firm including location, number of clients, number of governmental plans for which you provide services and employees and total services offered.

2) Indicate the number of credentialed actuaries you have on staff that have experience serving municipal pension plans.

3) Indicate the amount of Errors and Omissions coverage carried.

4) Do you have any pending claims against your Errors and Omissions coverage, or have any been filed within the last five years?

5) Provide information about any independent third-party firm that will be providing a portion of the services.

6) Please indicate the number of municipal clients you have lost in the last five years? If any, please indicate the reason for the termination of services. Were any due to errors in your work product?

7) Please provide three references from current municipal clients.

E.Individuals Providing Services

1) List the individuals who will be providing services to the Plans. Include a brief biographical summary of each individual which should at minimum include the following: title, professional designations, number of years of experience in the actuarial field, and the number of plans that they serve.

2) Describe the responsibilities that each individual will be responsible for, including the responsibilities expected of advisors or subcontractors to be employed.

F. Disclosure Form

1) List the names and titles of each individual who will be providing professional services relative to this contract including advisors and subcontractors.

2) Relative to question 1 above, describe the following:
   a) Are any of the above current or former officials or employees of the Municipality? When were they last employed by the Municipality?

   b) Are any of the above a registered federal or state lobbyist?

   c) What are the responsibilities of each individual with regard to the proposed services?

3) Have you in the last year or do you now retain a third-party intermediary, agent or lobbyist to directly or indirectly communicate with the Municipality? If so, please describe.

4) Has your firm or anyone in your firm solicited a contribution to any municipal official or candidate for municipal office in the Municipality or to the political party or political actions committee of an official at the Municipality or candidate for elected office at the Municipality?

5) List all contributions made by your firm or an Affiliated Entity to a municipal official or candidate for office in the Municipality made on or after December 17, 2009. An affiliated entity means:
   a) A subsidiary or holding company of a lobbying firm or other business entity owned in whole or in part by a lobbying firm.

   b) An organization recognized by the Internal Revenue Service as a 'tax-exempt organization under Section 501 (c) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §501(c)) established by a lobbyist or lobbying firm or an affiliated entity.

6) List any direct financial, commercial or business relationship with any municipal official or pension system of the Municipality held by your firm or any Affiliated Entity.

7) List any gift including money, services, loan, travel, lodging, entertainment, discount or other thing of value, to any official, employee of the Municipality or a fiduciary of its pension plans.

8) Confirm that no one at your firm or an Affiliated Entity was employed by the Municipality in the last 12 months.

9) List any other disclosures made pursuant to Act 44 of 2009.