

City of Sacramento

Legislation Text

File #: 2019-00764, **Version:** 1

Title:
Approval of Professional Actuarial Services Agreement

File ID: 2019-00764

Location: Citywide

Recommendation:

Pass a Motion authorizing the City Manager or the City Manager's designee to execute a professional services agreement for actuarial services with Bartel Associates, LLC, for a five year term to prepare the City's required Other Post-Employment Benefits (OPEB) actuarial valuation reports in accordance with Government Auditing Standards (GASB) 74/75 for the fiscal years ending in June 30, 2019 through June 30, 2023 in a total amount not-to-exceed \$149,250 provided that sufficient funds are available in the adopted budget in each of the applicable fiscal year.

Contact: Osvaldo Lopez, Accounting Manager, (916) 808-4740; Dawn Holm, Director of Finance, (916) 808-5574, Department of Finance

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Agreement

Description/Analysis

Issue Detail: On March 29, 2019, the Finance Administration Division, in accordance with City Code Chapter 3.64, issued a Request for Proposals (RFP) No. P19061311002 for professional OPEB actuarial services. By April 26, 2019, the City received eight responses to the RFP. Proposals were evaluated based on technical qualifications, including expertise, experience, price and mandatory RFP elements. Following a review of the proposals two firms were selected for interviews. The interviews were conducted by a committee that included staff from the Finance and Human Resources Departments. The committee concluded that the proposal submitted by Bartel Associates, LLC, was the most responsive.

Actuarial services were solicited to prepare valuation reports in accordance with GASB 74/75 for its retiree healthcare plan for the fiscal years ending June 30, 2019, June 30, 2021 and June 30, 2023. Actuarial services will also be required for the GASB 75 annual report for the fiscal years 2018/19 through 2022/23. This contract also includes a provision for additional actuarial analysis related to retiree health or pension benefits, on an as-needed basis

Policy Considerations: The recommendations in this report are in accordance with provisions of City Code Chapter 3.64 regarding contracts for professional services.

Economic Impacts: None

Environmental Considerations: No environmental review is necessary because the recommendations in this report involve contracting for professional services and are not considered to be a project in accordance with Section 15378(b)(2) of the CEQA Guidelines.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: It is in the best interest of the City to authorize the City Manager to execute a professional services agreement with Bartel Associates, LLC, the firm whose proposal was the highest ranked and the most responsive.

Financial Considerations: In determining the recommended spending authority, staff adjusted the proposed amounts in consideration of future needs. The recommended not-to-exceed amount of \$149,250 includes a \$50,000 contingency over the five-year period to allow for additional actuarial service needs. Funding for these services is included in the Finance Department operating budget. Sufficient funding is available in the Department's FY2018/19 Operating Budget for this contract. Services for future fiscal years are subject to funding availability in the adopted budget for the applicable fiscal year.

Local Business Enterprise (LBE): Bartel Associates, LLC is not qualified as a local business enterprise.