



P.O. Box 1540 • Thomasville, GA 31799 • 229-227-7000 • FAX 229-227-3243 • www.thomasville.org

REQUEST FOR PROPOSALS - PENSION and OPEB CONSULTING SERVICES

Proposals will be received at the City of Thomasville, Purchasing Department by August 30, 2013 at 10:00 A.M., Eastern Standard Time, in order to be considered. Proposals are for Pension Consulting services and proposals may be obtained from the City Purchasing Office between the hours of 8:00 A.M. and 5:00 P.M., Monday through Friday. The Purchasing Department is located at 111 Victoria Place, Thomasville, Georgia 31792. Bids can also be mailed to P.O. Box 1540, Thomasville, Georgia 31799. **If you wish to submit a proposal, please return it in a sealed mailing container or envelope which is plainly marked on the outside with the notation "RFP ENCLOSED – PENSION and OPEB CONSULTING SERVICES" due on August 30, 2013 at 10:00 A.M. EST.** Oral, telegraphic, facsimile (fax) or email proposals will **not** be accepted. No proposal will be accepted after the opening time.

The City reserves the right to reject any and all proposals, to waive minor irregularities, consider minor variations to specifications that are clearly detailed, and to accept the lowest or best proposal that appears to be in the best interest of the City.

The proposals names will be publicly called in the IT Lab 111 Victoria Place, Thomasville, GA 31799 on August 30, 2013 at 10:00 A.M. They will be evaluated and considered by the Thomasville Pension Board.

CITY OF THOMASVILLE

INSTRUCTIONS FOR PROPOSALS

1. Qualifications of Proposer:

The City may make such investigations as they deem necessary to determine the ability of the Proposer to perform the work, and the Proposer shall furnish to the City all such information and data for this purpose as the City may request. The City reserves the right to reject any Proposal if the evidence submitted by, or investigation of such Proposer fails to satisfy the City that the Proposer is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein.

2. Obligation of Proposer:

Proposers are required to inform themselves fully of the specifications and Proposal documents (including any and all addenda and amendments). The failure or omission of any Proposer to examine any form, instrument or document shall in no way relieve any Proposer from any obligation in respect to their Proposal.

3. Opening Proposals:

All Proposals received prior to the opening time are securely kept until the day and the hour stated in the RFP at which time all Proposers' names will be called. No Proposals will be opened nor will any be received after the time stated in the RFP. Oral, telegraphic, or facsimile (fax) Proposals will not be considered.

4. Withdrawal of Proposals:

Any Proposer may withdraw its companies Proposal in person only, at any time prior to the scheduled time for closing the receipt of Proposals. Withdrawals after the scheduled time for closing the receipt of Proposals will not be permitted for a period of sixty (60) calendar days from the date of receipt and opening of Proposals.

5. Contact:

Questions concerning the Proposal specifications must be emailed to Anthony "Quinn" Choice, Purchasing Administrator at anthonyc@thomasville.org.

6. Indemnification:

The contractor agrees to protect, defend, indemnify, and hold harmless the City of Thomasville and its council members, officers, employees, legal representatives and agents from and against any and all losses, penalties, damages, settlements, claims, costs, charges and all other expenses and liabilities of every nature and kind including but not limited to attorney fees, and other legal cost, in connection with or in any way arising directly or indirectly out of or resulting from the work agreed to, or the work performed, by Contractor under the terms of any contract or agreement that may arise due to any bidding process or otherwise. Without limiting the foregoing, any and all such claims, suits, or other actions relating to personal injury, death, damage to property, defects in material or workmanship, actual or alleged violations of any applicable Statue, ordinance, administrative order, rule or regulation, or any decree of any court shall be included in the indemnity hereunder. This indemnity and hold harmless covenant is effective, regardless or whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder; however, this indemnification and hold harmless covenant shall not apply loss, fine or expense was the negligent act or omission on the part of the City of Thomasville, Georgia, or any other indemnity referenced above. Contractor's obligations under this indemnification and hold harmless covenant also apply with respect to the enforcement of any of said indemnities and hold harmless covenants referenced above, including without limitation any attorney's fees and legal cost related thereto. The provisions of this

paragraph are cumulative and in no wise shall diminish the obligations resting upon Contractor under any other provision of the Contract or by operation of law. In claims against any person or entity indemnified above, which claims are made by an employee of the Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligations and hold harmless obligations stated above and agreed upon shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Contractor or a subcontractor under worker's compensation acts, disability benefit act or other employee benefit acts.

7. Insurance:

Contractor's and Subcontractor's Insurance: The Contractor shall not commence work under this Contract until he has obtained all the insurance required under this paragraph and such insurance has been approved by the City, nor shall the Contractor allow any subcontractor to commence work on his subcontract until all similar insurance required of the subcontractor has been so obtained and approved. The City of Thomasville requires that they be listed on each of the insurance policies as an "additional insured". This inclusion must appear on the certificates that are provided to the Owner before the general or sub contractors can commence any work for the City of Thomasville. The insurance certificate shall include the following statement:

The City of Thomasville, Georgia is included as an additional insured with respect to any claim, demand, suit or action brought against the City of Thomasville and arising from or related to the performance of the contract to which this certificate is attached.

A. Comprehensive General Liability

The contractor shall procure and shall maintain during the life of the Contract Agreement, such Comprehensive General Liability insurance as shall protect the Owner, Contractor and any Subcontractors or others working on the premises of the Owner in connection with this project, or performing work covered by this contract from claims for damages for bodily injury, including accidental death, as well as from claims for property damages, which may arise from operations under the Contract Agreement, whether such operations are by himself or by anyone directly or indirectly employed or contracted with, by him.

The amount of insurance shall not be less than the following:

\$1,000,000 Bodily injury, including death, each occurrence

\$500,000 Property Damage, each occurrence

\$1,000,000 Property Damage, in the aggregate

B. Vehicle Liability

The contractor shall procure and shall maintain during the life of the Contract Agreement, Comprehensive Automobile (Motor Vehicle) Liability insurance in amounts not less than the following:

\$500,000 Bodily injury or death to any one person

\$1,000,000 Bodily injury, each occurrence

\$300,000 Property damage, each occurrence

The insurance shall be the greater of the above shown figures or that as required by the State of Georgia. The insurance shall include coverage for owned, leased, and rented vehicles, as well as equipment, trailers, etc.

C. Worker's Compensation

The Contractor shall procure and shall maintain during the life of the Contract Agreement, Worker's Compensation insurance for all of his employees to be engaged in work on the

project under this Contract. This insurance should be for the amount required by the State of Georgia.

a) Comprehensive General Liability - The Contractor and any subcontractors shall procure and shall maintain during the life of the Contract Agreement, such Comprehensive General Liability insurance as shall protect the City, Contractor and any subcontractors or others working on the premises of the City in connection with this project, or performing work covered by this contract from claims for damages for bodily injury, including accidental death, as well as from claims for property damages, which may arise from operations under the Contract Agreement, whether such operations are by himself or by anyone directly or indirectly employed or contracted with, by him.

The amount of insurance shall not be less than the following:

\$1,000,000 Bodily injury, including death, each occurrence

\$ 500,000 Property Damage, each occurrence

\$1,000,000 Property Damage, in the aggregate

b) Vehicle Liability - The Contractor or subcontractors shall procure and shall maintain during the life of Contract Agreement, Comprehensive Automobile (Motor Vehicle) Liability Insurance in amounts not less than the following:

\$ 500,000 Bodily injury or death to any one person

\$1,000,000 Bodily injury, each occurrence

\$ 300,000 Property damage, each occurrence

The insurance shall be the greater of the above shown figures or that as required by the State of Georgia. The insurance shall include coverage for owned, leased, and rented vehicles, as well as equipment, trailers, etc.

c) Worker's Compensation - The Contractor or subcontractors shall procure and shall maintain during the life of the Contract Agreement, Worker's Compensation insurance for all of his employees to be engaged in work on the project under this Contract. This insurance should be for the amount required by the State of Georgia.

d) Scope of Insurance - The insurance required under subparagraph (a) hereof shall provide adequate protection for the Contractor and his subcontractors, respectively, as well as the City, against damage claims which may arise from operations under this Contract, whether such operations be by the insured or by anyone directly or indirectly employed by him.

8. Payments to Contractor:

a) All payments will be made once per month by the City within 30 days of invoicing to the Contractor on the basis of a duly certified and approved estimate of the work performed during the preceding calendar month under this contract. The Contractor must submit his estimate not later than the 5th day of the month. The Owner shall retain ten percent (10%) of the amount of each estimate until final completion and acceptance of all work covered by this contract.

b) All material and work covered by partial payments made shall thereupon become the sole property of the City, but this provision shall not be construed as relieving the Contractor from the sole responsibility for the care and protection of materials and work upon which payments have been made or the restoration of any damaged work, or as a waiver of the right of the City to require the fulfillment of all of the terms of the contract.

9. Termination by Owner for Convenience:

Owner may, at any time, terminate the Contract for Owner's convenience and without cause. Upon receipt of written notice from Owner of such termination for Owner's convenience, Contractor shall cease operations as directed by Owner in the notice, take actions necessary, or that Owner may direct, for the protection and preservation of the work, (and except for the Work directed to be performed prior to the effective date of termination stated in the notice) terminate all existing subcontracts and purchase orders

and enter into no further subcontracts and purchase orders. In case of such termination for Owner's convenience, Contractor shall be entitled to receive payment for Work executed, and direct costs proven as having been incurred directly by Contractor prior to the date of termination. Contractor will not be authorized to receive any overhead or profit or other cost of expense related to any part of the Work not executed as of the time of the notice of termination for convenience of Owner.

10. Termination by Owner for Cause:

Owner may terminate the Contract for cause, by notification in writing to Contractor, stating such cause. When Owner terminates the Contract for cause, Contractor shall not be entitled to receive further payment until the Work is completed by others. If the unpaid balance of the Contract sum exceeds costs of finishing the Work, including compensation for any services, expenses and damages incurred by Owner and not expressly waived, such excess shall be paid to Contractor. If such costs and damages exceed the unpaid balance, Contractor shall pay the difference to Owner. The amount to be paid to Contractor or Owner, as the case may be, shall be in the discretion of Owner, which shall be reasonably exercised.

11. General Instructions, Requirements and Conditions

a. All proposals, one original and three copies must be received by August 30, 2013 at 10:00 A.M., Eastern Standard Time, in order to be considered.

b. The terms and conditions of the Pension Consulting Services Agreement will be a three year contract with the option to extend, upon mutual agreement, on the same terms for two (2) one year periods.

c. The City reserves the right to use judgmental factors in determining which proposal shall be in the City's best interest and the exercise of that judgment by the City shall be final and binding upon all firms submitting proposals. Criteria for selection will include but is not limited to:

- Proposers experience with and ability to perform the required services
- Proposers understanding of the project's purpose and scope, as evidenced by the proposed approach and level of effort.
- Availability and competency of proposer's personnel assigned to the project.
- Conformity with specifications contained herein.
- Proposers ability to the City informed of significant changes in the laws and regulations governing public pension plan administration.
- Competitiveness of proposed cost.

12. City of Thomasville's Pension and OPEB Plan Description

Pension Plan Description

The City of Thomasville Employees' Retirements System is a single-employer defined benefit pension plan that covered all employees making contributions to the Fund until December 31, 1999. Employees mean all persons performing regular services in the employ of the City, in each and departments thereof, except the Mayor and members of the City Council, who are performing services in elective positions, as well as the following part-time employees: the City Attorney, the City auditor, the City physician, the recorder, and all employees of the public school system. In June 2000 the Plan was closed to new Members and current Members were allowed to transfer to a defined contribution plan.

As of December 31, 2012, the membership consisted of:

| | |
|---|-----|
| Retirees and beneficiaries currently receiving benefits | 115 |
| Terminated members entitled to but not yet receiving benefits | 4 |
| Active plan members – vested | 69 |
| Total | 188 |

The Plan provides retirement, disability, and death benefits to participants and their beneficiaries. Members retiring under Class A or B are subject to a cost of living adjustment on January 1 and July 1 of each year, the increase or decrease not to exceed 1.5% for each six-month period. Both adjustments are based on the Department of Labor Consumers Price Index. No adjustment shall reduce the Member's benefit below that earned under the standard formula. Class C Members are not eligible for such post-retirement benefits.

Below is a schedule of the Funding Progress:

| Plan Year Ending | Actuarial Value of Assets | Actuarial Accrued Liability (AAL) | Unfunded AAL (UAAL) | Funded Ratio |
|------------------|---------------------------|-----------------------------------|---------------------|--------------|
| 12/31/2008 | \$21,357,410 | \$31,134,185 | \$9,776,775 | 68.60% |
| 12/31/2009 | \$22,386,337 | \$31,526,109 | \$9,139,772 | 71.01% |
| 12/31/2010 | \$22,327,862 | \$31,076,475 | \$8,748,613 | 71.85 |
| 12/31/2011 | \$22,099,016 | \$31,460,075 | \$9,361,059 | 70.24% |
| 12/31/2012 | \$25,888,237 | \$31,728,846 | \$5,840,609 | 81.59% |

OPEB Plan Description

The City provides postretirement health benefits, as required by a local ordinance, for certain employees (and dependents), who retire under the City's Defined Benefit Plan. The City's OPEB plan is a single employer plan that covers all full-time regular employees hired before June 1, 2000. The plan continues until the retiree reaches 65 years of age. As of December 31, 2012, the membership consisted of

| Description | Number | Average Age |
|--|--------|-------------|
| Retirees (including disabilities, spouses, and dependent children) currently covered | 38 | 60 |
| Active employees under age 65 | 63 | 48 |

The City reimburses 75% of the amount of validated claims for medical and hospitalization costs incurred by qualified retirees and their dependents until the employee's out of pocket expenses reach \$3,750, at which time the City pays 100% of the costs.

The City currently funds post-employment benefits on a pay-as-you-go basis with retired employees' dependents contributing on average 15% of their claims including expenses.

13. Scope of Services to be Provided

The consultant will provide Actuarial and Consulting Services for the City of Thomasville Employees' Retirement System (Pension and OPEB) as defined below:

- GASB Statements 25 and 27 financial reporting for Defined Benefit plans – Annually
- GASB Statements 43 and 45 Post- Employment Benefits Other than Pensions – Annually
- Any future applicable GASB Statements
 - GASB 67, Financial Reporting for Pension Plans – an amendment to GASB 25
 - GASB 68, Accounting and Financial Reporting for Pensions, an amendment to GASB 27
- Actuarial Report – every two years
- Benefit Calculations - as needed.
- Presentation of the Actuarial Report to the Pension Board

14. Proposal Requirements

Each proposal must include the following:

- a. Organizational Structure – a general description of the proposers organization, including legal structure, the number of professional and support staff employed. Identification of the staff for this project and descriptive materials related to the professional qualifications of each person assigned to the project.
- b. Experience – a listing of all public employee retirement systems to which the proposer currently provides actuarial and consulting services for. This listing should include the name of the retirement system, the number of plan participants (active and retired), market value of plan assets, and the number of years that the contractor has been retained to provide actuarial and consulting services. Of the staff members designated for this project the proposer must also identify which client, if any, they serve as lead consultant to the retirement system listed. Please provide reference information for at least three clients.
- c. Recommended Workplan- an outline of the proposed workplan to accomplish the deliverables described in the Scope of Services
- d. Cost Proposal – The cost proposal will consist of a fixed fee proposal for each of the following:
 - GASB Statements 25 and 27 financial reporting for Defined Benefit plans – Annually
 - GASB Statements 43 and 45 Post- Employment Benefits Other than Pensions – Annually
 - Actuarial Report – every two years
 - Benefit Calculation (rate per calculation)