

**RESOLUTION
ROCK COUNTY BOARD OF SUPERVISORS**

Jeffrey A. Smith
INITIATED BY

Finance Committee
SUBMITTED BY



Jeffrey A. Smith, Finance Director
DRAFTED BY

April 12, 2011
DATE DRAFTED

**Authorizing Contract for Actuarial Valuation Services for Other Post
Employment Benefits (OPEB) Calculation as Required Under Governmental
Accounting Standards Board (GASB) Statement 45**

1 **WHEREAS**, GASB, under its Statement 45, requires state and local government employers to
2 measure, recognize and display OPEB expense / expenditures, related liabilities and note
3 disclosures in its financial reports; and,
4

5 **WHEREAS**, Rock County has reported its OPEB liability in its annual Audited Financial
6 Statements since 2007; and,
7

8 **WHEREAS**, the Finance Director / Purchasing Division did solicit proposals for actuarial
9 services for OPEB calculations as detailed in the attached Bid Summary.
10

11 **NOW, THEREFORE, BE IT RESOLVED** that the Rock County Board of Supervisors duly
12 assembled this 28th day of April, 2011, does hereby authorize and direct that a
13 contract be entered into with Gabriel, Roeder, Smith & Company of Chicago, IL to perform
14 actuarial services for OPEB calculations for the period January 1, 2011 through December 31,
15 2012, with an option to renew for the two (2) year period January 1, 2013 through December 31,
16 2014.

Respectfully submitted,

FINANCE COMMITTEE

Mary Mawhinney
Mary Mawhinney, Chair

Sandra Kraft
Sandra Kraft, Vice Chair

Mary Beaver
Mary Beaver

David Diestler
David Diestler

J. Russell Podzilni
J. Russell Podzilni

PURCHASING PROCEDURAL ENDORSEMENT

Phillip Owens
Phillip Owens, Chair

4-0 4/19/11
Vote Date

11-4B-354

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FISCAL NOTE:

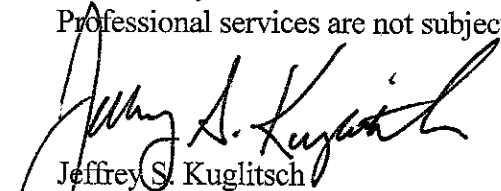
Sufficient funds are available in the Auditing and Special Accounting budget, A/C 05-1530-0000-62130 for this contract.



Jeffrey A. Smith
Finance Director

LEGAL NOTE:


The County Board is authorized to take this action pursuant to secs. 59.01 and 59.51 Wis. Stats. Professional services are not subject to bidding requirements of § 59.52(29), Stats.



Jeffrey S. Kuglitsch
Corporation Counsel

ADMINISTRATIVE NOTE:

Recommended.



Craig Knutson
County Administrator

EXECUTIVE SUMMARY

The Governmental Accounting Standards Board (GASB) defines what is considered to be Generally Accepted Accounting Principles (GAAP) for governmental entities. GASB issued Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pensions (OPEB) in June 2004. This standard requires governmental employers to account for post-employment healthcare benefits on an “actuarial basis” during the employee’s career instead of using the current practice reporting on a “pay-as-you go” basis.

In order to comply with OPEB rules, valuations must be done at least every 2 years using one of six actuarial methods, which conform to Standards of Actuarial Practices. The actuarial valuations must determine the OPEB cost which is the annual required contribution (ARC) and the “net OPEB obligation” which is the difference between the employer’s OPEB cost and actual annual employer contributions to the OPEB plan.

As a larger employer, Rock County has reported its OPEB obligations in its annual financial statements since the year ended December 31, 2007. On March 25, 2011 the county issued a Request for Proposals for actuarial valuation services. As detailed in the attached proposal summary, 6 actuarial services companies responded. The responses were independently reviewed by, the Chair of the Finance Committee, Finance Director and Assistant to the Finance Director. Based upon the response to the county’s proposal, pricing and reference checks a contract with Gabriel, Roeder, Smith & Company of Chicago, IL is recommended for actuarial service valuations for the period January 1, 2011 through December 31, 2012 with an option to renew the contract for an additional two year period, January 1, 2013 through December 31, 2014.

ROCK COUNTY, WISCONSIN
FINANCE DIRECTOR

PURCHASING DIVISION
FAX (608) 757-5539
PHONE (608) 757-5517



PROJECT NUMBER #2011-48
PROJECT NAME ACTUARIAL VALUATION SERVICES
PROPOSAL DUE DATE MARCH 25, 2011
DEPARTMENT FINANCE DIRECTOR

	GRS CHICAGO IL	LURIE BESIKOF LAPIUS MINNEAPOLIS MN	WILLIS MILWAUKEE WI	MILLIMAN BROOKFIELD WI	LEWIS & ELLIS RICHARDSON TX	ACTUARIAL & HEALTH CARE SOLUTIONS WAUKESHA WI
2011 COST	8,000.00	5,000.00	4,000.00	8,000.00	8,500.00	6,850.00
2013 COST	8,000.00	5,000.00	4,000.00	8,000.00	8,500.00	6,850.00
TOTAL COST	\$16,000.00	\$10,000.00	\$ 8,000.00	\$16,000.00	\$17,000.00	\$13,700.00
RATER 1	70	57	65	65	44	48
RATER 2	75	72	60	50	59	63
RATER 3	74	78	72	59	62	53
TOTAL SCORE	219	207	197	174	165	164

Proposals were evaluated and points were awarded based on the following criteria:

- A. General Requirements - Maximum 30 points
 - Organization size and structure
 - Staff availability and qualifications
 - Past experience and performance
- B. Technical Requirements – Maximum 30 Points
 - Scope of Services
 - Project Approach
- C. Cost of Services – Maximum 40 points

Request for Proposals was advertised in the Beloit Daily News and on the Internet. Eight additional firms were solicited that did not respond. Two firms submitted "No Proposal" letters.

PREPARED BY: JODI MILLIS, PURCHASING MANAGER

DEPARTMENT HEAD RECOMMENDATION: GRS, CHICAGO, IL.

SIGNATURE

DATE

4-12-11

GOVERNING COMMITTEE APPROVAL:

CHAIR

5-0
VOTE

DATE

4-21-11

PURCHASING PROCEDURAL ENDORSEMENT:

CHAIR

4-0
VOTE

DATE

4/19/11