

**MEMORANDUM  
FINANCE  
DEPARTMENT**

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**TO:** Mr. Thomas Thomas, City Manager  
**SUBJECT:** Actuary RFP

**Number:** 002-14  
**Date:** 04/08/2014

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City staff recently completed an RFP for Actuarial Services. Staff received responses from six vendors:

Foster & Foster	Oakbrook Terrace, Illinois
Milliman	Omaha, Nebraska/Chicago, Illinois
TCG Public Consulting LTD	Northbrook, Illinois
Lauterbach & Amen, LLP	Warrenville, Illinois
Nyhart	Edwardsville, Illinois
Gabriel, Roeder, Smith, & Co	Chicago, Illinois

Staff completed interviews with three of the respondents and checked references. Though all applicants were well qualified, the selection committee is recommending Nyhart, Inc. for the following reasons.

The firm has been in business since 1943 and has approximately 100 employees in seven offices across the country. Nyhart satisfactorily demonstrated the skills and resources to provide the professional services requested. The selection committee concluded Nyhart did the best job at explaining complicated actuarial concepts in an understandable format. Also, the actuarial report examples provided by Nyhart included not only the required disclosure information but understandable and informative graphs. The services to be provided include:

- An annual actuarial report that will include a certified actuarial statement, a summary of valuation objectives, a statement of the actuarial cost method selected and assumptions, and recommended and the statutory minimum contribution.
- CAFR disclosure information – GASB 67 and 68.
- Three hard copies of the report submitted no later than June 15, 2014 and March 15 of each year thereafter.
- 5-year cost projection with the ability to alter investment return assumptions.
- Management summary report that includes key results from the annual valuation for the City's consideration, review 5-year cost projections, identify topics that may warrant further review, and share latest trends in the retirement landscape.
- 2 face-to-face meetings per year.
- Nyhart offered competitive pricing as follows:

FY2014	\$15,000
CY2014	\$15,000
CY2015	\$16,000
CY2016	\$16,000
CY2017	\$17,000

**Recommendation: Council authorize staff to negotiate a contract with Nyhart Company, Inc. and authorize the City Manager to execute the Contract Document for a three year contract with two one year extensions as outlined in staff's memo.**

**Submitted by:** Cynthia Parchert, Finance Director

**Approved:** Thomas Thomas, City Manager