



**TOWN OF SIMSBURY, CONNECTICUT
SIMSBURY BOARD OF EDUCATION**

**Request for Qualifications (RFQ)
Pension Benefits and Other Post-Employment Benefits (OPEB) Actuarial Services**

SUBMISSION DEADLINE: October 13, 2023 at 1 PM

SUBMISSION CONTACT AND ADDRESS:

Lee Erdmann
Acting Town Manager
Town of Simsbury
933 Hopmeadow Street
Simsbury, Connecticut 06070
(860) 658-3230
townmanager@simsbury-ct.gov

Submissions will be accepted in electronic format only.

1. Purpose

The Town of Simsbury, Connecticut (hereafter referred to as “the Town” or “Town”) is requesting proposals from qualified consulting firms (hereafter referred to as “Consultant”) to provide pension and OPEB actuarial services, on behalf of its three single-employer Defined Benefit Pension Plans: General Government Pension Plan, Police Pension Plan and Board of Education Pension Plan (hereafter referred to as “the Plans” or “Plans”), in order to comply with the Governmental Accounting Standards Board (GASB) Statement 67/68 & 74/75 and the requirements of future GASB pronouncements, as well as the data necessary to prepare any reports required by the federal government relative to the Plans.

The Town of Simsbury reserves the right to accept or reject, without prejudice, any or all submissions or to waive any irregularities therein, or to accept the submission deemed to be in the best interest of the Town of Simsbury. The Town is not responsible for any costs incurred by the proposers in the preparation of the proposals or any work performed prior to the approval of the executed contract.

Questions regarding this RFQ should be directed to the Town Manager’s Office at townmanager@simsbury-ct.gov. To receive consideration, all questions must be submitted by **1 PM on September 29, 2023**. A response to all relevant questions will be provided before the close of business on **October 6, 2023**, via an addendum that will be posted on the Town website at: www.simsbury-ct.gov.

2. Submission & Deadline

Statement of qualifications must be received by **1 PM on Friday, October 13, 2023**.

Complete electronic statement of qualifications, clearly marked “Simsbury Pension and OPEB Actuarial Services – RFQ” shall be sent to townmanager@simsbury-ct.gov. Only electronic copies will be accepted. Hard copies will not be considered. No statement of qualifications will be accepted after the date and time specified.

3. Background

The Town of Simsbury was incorporated as Connecticut’s twenty-first Town in May 1670. It has a land area of approximately 34.5 square miles and a population of approximately 24,807. Centrally located in the heart of the New York - Boston corridor, Simsbury is an attractive and diverse suburban community. As a part of the beautiful Farmington Valley, Simsbury offers an unmatched quality of life with a traditional New England town atmosphere in a setting of rolling hills, the picturesque Farmington River and extensive trail system. Simsbury is conveniently located 20 minutes northwest of Hartford and 20 minutes southwest of Bradley International Airport. Simsbury operates under a Town Manager-Board of Selectmen form of government with the Town Manager serving as the Chief Executive Officer responsible for overseeing the day-to-day operations of the Town.

The Town operates under the provisions of its Charter and the General Statutes of the State of Connecticut. Since 2017, when the Town established the Town Manager – Board of Selectmen form of government, the legislative power of the Town was vested in a six-member Board of Selectmen, with 5 members elected at large for terms of two years and the First Selectmen being the sixth member elected by vote of the people. The Town Manager, who is the Chief Executive Officer, manages the operations of the Town.

The Town Manager’s Office is responsible for administering the Human Resources program for the Town and coordinating employee benefits plan administration for the Simsbury Board of Education. Specific rules and regulations governing the human resources program are set forth in the Personnel Rules, collective bargaining agreements, and other personnel policies of the Town, as amended.

The Town of Simsbury provides a full range of services, including police; the construction and maintenance of highways, streets and other infrastructure; education from pre-kindergarten through high school; social services, a youth service bureau and a senior center; public health services through the Farmington Valley Health District; recreational services and adult education including the Simsbury Farms Recreation Complex and library services while also being served by a fire district and affordable housing through a Town housing authority.

The Simsbury Board of Education has an eight-member elected board, and an appointed Superintendent of Schools serving as the Chief Executive Officer of the school district. The Simsbury Board of Education provides public schools for children living in Simsbury grades K-12. The District serves 4,064 students and is comprised of one middle school, one high school and four elementary schools. Human Resource responsibilities are primarily handled centrally through the District’s Central Office.

The Town is self-insured for health insurance, with the Simsbury Board of Education participating in the health insurance pool. The health insurance pool typically averages 515 covered employees and 1,250 covered lives. Eligible retirees under the age of 65 from the Town and Simsbury Board of Education are given the option to participate in the Town's health insurance plan. Eligible retirees over the age of 65 are given the option to participate in a fully insured Medicare supplemental plan. Eligible retirees over the age of 65 are given the option to participate in a fully insured Medicare supplemental plan.

4. Work Statement

The actuary shall annually conduct actuarial valuations and review each of the Town's Plans, and biannually OPEB, as of July 1st and share prepare a separate written report thereon for each of the Plans and OPEB. Each report shall include all data necessary to meet the requirements of Governmental Accounting Standards Board (GASB) Statements (ie GASB 67/68 & 74/75) and the requirements of any future GASB pronouncements, as well as, the data necessary to prepare any reports required by the federal government relative to the Plans. All actuarial valuations shall be based on census information provided by the actuary by the Town, and on such actuarial assumptions that the Town and the actuary agree are reasonable and appropriate in the circumstances. The report shall also set forth the actuary's actuarially determined contribution for the Town's fiscal year beginning on the following July 1st.

The selected firm will attend at least one Retirement Plan Sub-Committee meeting to present and discuss the valuation reports and will demonstrate extensive successful experience and superior capability for providing advisory services.

In general, the selected firm will assist the Town in the on-going process of management of the Plans. In all cases, the firm and its Advisor will offer advice to the Town that is in the best interest of the Town, Plan participants and beneficiaries of the Plans.

5. Scope of Services

Services to be provided by the Consultant are the following and should consider, but should not be limited to; annual defined benefit pension plan valuations, defined benefit pension plan GASB disclosure reports, OPEB plan valuations, OPEB plan GASB disclosure reports, department mission and value statement, professional standards and best practices, accreditation, Human Resources policy development and compliance, statutory obligations and regulations, collective bargaining agreement advice and labor relations, employee benefits administration, compensation, and risk management:

A. Review and Evaluate Current Defined Benefit, Contribution and OPEB Plan(s)

- Conduct on-going evaluation of Plan(s) designs
- Issue a Public Statement of Actuarial Opinion (PSAO) in accordance with the Qualification Standards of the American Academy of Actuaries
- Providing all services in accordance with the Actuarial Standards of Practice, the Actuarial Code of Professional Conduct, and the GASB Standards 67/68 & 74/75
- Specific elements to be provided in the GASB 67/68 & 74/75 analysis shall comply with minimum standards information requirements as described in Statements 67/68 & 74/75
- Assist in the analysis of financial input of proposed Plan(s) changes including the modeling of collective bargaining proposals

B. Recommendations for Development and Implementation of Plan(s)

- Advise Town and Simsbury Board of Education employee benefits management team on full range of employee benefits related issues
- Assist with negotiating with the Town and Simsbury Board of Education labor groups as it relates to employee benefits
- Assist, upon request, the Town in the preparation of documents required, in the determination of benefits for individual employees, and in the implementation of recommendations made by independent auditors concerning the Plan(s)

C. Formal Valuation Report of Assets and Liabilities of the Plan(s) to Include Methodology, Review and Recommendations with an Executive Summary

- Submit annually, for pension, and biannually, for OPEB, which includes recommended employer contribution for the current and subsequent year
- Review of actuarial assumptions used in the valuation for appropriateness
- Identify issues which could impact the Plan(s) in the upcoming fiscal year
- In accordance with a schedule established by the Town, provide information regarding Plan assets and liabilities required for annual financial statements preparation
- Provide factors, formulas and other information required by the Town for effective administration of the Plan(s)

D. Presentation of Findings to Employee Benefits Management Team, Policy Bodies and Employee/Labor Groups

- Present, if needed, results and valuation report of the Plan(s) to Town Staff and Boards such as the Board of Finance, Retirement Plan Sub-Committee, etc.
- Assist with developing proposals and costing proposals
- If requested, prepare or update (drafting only) summary plan documents to be distributed to participants of the Plan(s) describing the plan and benefits
- Produce annual Retiree Health Care Trust statement which include narrative introduction, employee census data, normal retirement date and entitlement, and employee contributions with interest

E. Advise the Town on all Federal and State Regulations, Statue and Mandate Compliance Requirements for the Plan(s)

- Provide analysis of the impact of proposed and enacted federal and state law
- Provide advice to the Town and Simsbury Board of Education regarding regulatory compliance
- Ensure accurate follow-through on all negotiated contractual arrangements between the Town and Simsbury Board of Education and any administrators or insurance carriers utilized by the Town and Simsbury Board of Education
- Counsel the Town, upon request, on issues that may impact the Plan(s)

6. Qualifications

Consultants responding to this RFQ must demonstrate expertise in the following areas:

A. Pension consulting and actuarial analysis

- B. Contemporary Human Resources issues and strategies
- C. Connecticut retirement plan requirements
- D. Working with entities similar in size to Simsbury
- E. Familiarity with Connecticut municipal benefit plans
- F. Credibility
- G. Resource depth

7. Statement of Qualifications

Consultants shall submit the following as their statement of qualifications:

- **Letter of Transmittal:** A letter addressed to Lee Erdmann, Acting Town Manager, which includes a statement by the respondent accepting all terms and conditions contained in this RFQ. The letter should also include a brief discussion of the consultant's background, experience, and ability to perform this contract in accordance with the Scope of Services. The letter must be signed by an authorized official. The letter must also provide the name, title, address, and telephone number of the person who may be contacted to clarify any information provided in the submission.
- **Project Understanding:** Statement regarding the consultant's qualifications related to this project and detail on the consultant's understanding of the requirements presented in this RFQ, including a proposed project timeline that is a realistic expectation of the firm's capacity and ability to complete the work.
- **Service and Staffing Plan:** Description of project approach/methodology, anticipated schedule with project milestones, and resumes of key personnel assigned to the project.
- **References:** Provide a minimum of three (3) references for which work of a similar scope was conducted. Include the names, titles, addresses, and telephone numbers of individuals that the Town may contact.
- **Fee Proposal:** One cost proposal to include all elements of the work to be performed. Please include the name, title, address, and telephone number of the individual with the authority to negotiate and contractually bind the consultant. The Town reserves the right to negotiate the fees and payment schedules with the selected consultant.

8. Selection Criteria, Evaluation & Award

The Town will evaluate submissions based on factors such as background and experience in providing similar services; the specific background, education, qualifications, and relevant experience of key personnel to be assigned to the project; references; technical understanding of the scope of services to be provided; proposed schedule for project completion; proposed fees; and, other relevant criteria.

The Town reserves the right to award the work to a consultant other than that with the lowest cost. The Town may invite the consultants with the most responsive submissions for an interview and detailed presentation before representatives from the Town. Following the interview process, the Town will

award the contract to the consultant it determines best qualified to perform the required services. The Town reserves the right to terminate the contract for any reason with thirty (30) days written notice.

9. Timeline

The anticipated RFQ schedule is as follows:

RFQ Issued	September 15, 2023
Questions Due	September 29, 2023
Response to Questions Posted	October 6, 2023
Statement of Qualifications Due	October 13, 2023
Select Respondent(s)	October 27, 2023
Interviews	Week of November 3, 2023
Final Selection	Week of November 10, 2023

The Town reserves the right to modify this timeline following receipt of RFQ responses.

10. Insurance & Indemnification

The selected consultant will be required to furnish certificates of insurance, including general liability, umbrella liability, automobile, and workers compensation with the following minimum limits:

<u>General Liability:</u>	\$1,000,000
<u>Umbrella Liability:</u>	\$5,000,000
<u>Auto Liability:</u>	\$1,000,000
<u>Professional Liability:</u>	\$1,000,000
<u>Worker's Compensation:</u>	Statutory
<u>Employer's Liability:</u>	\$1,000,000

Contractor coverage shall be primary and non-contributory. The Town of Simsbury shall be named as additional insured on the general liability, umbrella liability, and automobile liability policies. Each policy shall include a waiver of subrogation in favor of the Town. All policies shall be kept in force throughout the project, with an extended reporting period of 36 months after the agreement terminates.

To the fullest extent permitted by law, the consultant shall indemnify, defend and hold harmless the Town of Simsbury and its agents and employees from and against all claims, damages, losses, and expenses, including reasonable attorney's fees to the extent caused by the negligent acts, errors or omissions of the consultant, or those for whom the consultant is legally responsible in the performance of the work.