



Request for City Council Committee Action from the Department of Finance

Date: November 13, 2008

To: Council Member Paul Ostrow, Chair, Ways and Means/Budget Committee

Subject: Actuarial Services Consultant Panel Request for Proposals (RFP)

Recommendation: That the proper City officers be authorized to issue a Request for Proposals (RFP) for the Actuarial Services Consultant Panel, pursuant to Permanent Review Committee Approval

Prepared by: Maren Anderson, Senior Financial Analyst, 612-673-2413
Approved by: Patrick Born, Director, Finance Department 612-673-3375, and Steven Bosacker, City Coordinator, 612-673-2032
Presenters in Committee: Lalonie Erickson-Baker Finance Division 673-2004

Reviews

- Permanent Review Committee (PRC): Approval pending PRC approval on November 13, 2008

Financial Impact

No financial impact

Background/Supporting Information

The City, from time to time, uses financial consulting services to provide expertise in particular areas in support of real estate management, development and finance. The City established a Financial Services Consultant Panel effective January 1, 2008 through December 31, 2010 to support the needs of the Finance Department, its Development Finance Division, and their client department, Community Planning and Economic Development (CPED). The resulting consultant panel however, lacks members who are able to provide actuarial services. Actuaries are used by City departments to calculate pension expense and perform actuarial analysis.

The Finance Department is now requesting to create an actuarial services panel for a two (2)-year contract term to expire on December 31, 2010, the same date as the financial services panel. Efforts will be made to include actuarial services in the next financial consultant panel RFP.

Panel consultants, depending on their particular expertise, may be asked to:

1. Perform actuarial analysis and make recommendations related to the City's closed pension funds, including estimating the City's payment liabilities and impacts of proposals on beneficiaries.
2. Other actuarial analysis, as deemed necessary.

The Financial Services Consultant Panel RFP is scheduled to go before the Permanent Review Committee ("PRC") on November 13, 2008. Council approval is requested. The RFP is scheduled for release on November 25, 2008.