



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: RFP-1718-54

File ID: RFP-1718-54 **Type:** Request for Proposal **Status:** Consent Item

Version: 1 **Reference:** Item 16 **In Control:** City Council

Department: Finance Department **Cost:** \$19,500.00 **File Created:** 04/18/2018

File Name: Professional Actuary Services **Final Action:**

Title: CONSIDERATION OF REQUEST FOR PROPOSAL RFP-1718-54 FROM MILLIMAN, INC., IN THE AMOUNT OF \$19,500 TO PROVIDE PROFESSIONAL ACTUARIAL SERVICES FOR THE CITY OF NORMAN AND RELATED TRUSTS.

Notes: ACTION NEEDED: Motion to accept or reject Request for Proposal RFP-1718-54 from Milliman, Inc., in the amount of \$19,500 for professional actuarial services for the City of Norman and related trusts.

ACTION TAKEN: _____

Agenda Date: 05/08/2018

Agenda Number: 16

Attachments: Text File, Professional Actuarial Services RFP, Milliman Proposal, Milliman Letter of Engagement

Project Manager: Clint Mercer, Chief Accountant

Entered by: clint.mercer@normanok.gov

Effective Date:

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File RFP-1718-54

Body

BACKGROUND: As a part of the City's annual audit, actuarial services are performed to estimate future liability costs for such things as post-employee retirement and health benefit costs. On February 28, 2018, Request for Proposal RFP-1718-54 for professional actuarial services was sent to twenty-two firms, of which one firm submitted a proposal. The RFP's purpose was to recommend a firm to provide actuarial services for a contemplated term of three years with two one-year renewal options. These renewal periods will be subject to the annual review and recommendation of the Finance Committee, the approval of the City, the satisfactory negotiation of terms (including a price acceptable to both the City and the Actuary), and the annual availability of an appropriation. The City has used Lewis & Ellis for the past five years.

DISCUSSION: The City requested proposals through direct mail from twenty-two qualified actuarial firms in Norman, Oklahoma City, Tulsa and Dallas, of which one responded.

The proposals were reviewed separately by members of a Selection Committee consisting of Anthony Francisco, Director of Finance, and Clint Mercer, Chief Accountant. The Selection Committee reviewed the proposal

received.

After a careful review of the proposals, the Selection Committee concluded that Milliman Inc. (Milliman), could provide quality actuarial services consistent with the needs of the City of Norman. Milliman is an industry leader and has provided both GASB 75 and worker's compensation valuations for governmental entities in Alabama, Arkansas, Georgia, Louisiana and Texas. Specific municipal clients include City of Fort Worth and City of Irving. Milliman has more than 3,500 employees and revenue of \$1 billion in 2017.

RECOMMENDATION: The Selection Committee recommends that Milliman be selected to provide actuarial services to the City of Norman for the fiscal years ending June 30, 2018, 2019, 2020, with two one-year options to renew, at a first-year cost of \$19,500. Such recommendation is based on Milliman's professional qualifications, technical experience of the firm and staff, and a reasonable cost for such services.