



Fox River Water Reclamation District
South Elgin, Illinois

**REQUEST FOR PROPOSALS (RFP)
FOR ACTUARIAL VALUATION SERVICES**

for the
Postretirement Health Plan Liability
and Annual Required Contribution
For Fiscal Years Ending April 2019

Issue Date: December 11, 2018

Proposals Due: January 4, 2019 by 4:00 PM

Board Award: January 14, 2019

Inquiries: Nazer Uddin
Finance Manager
847-429-4050
Nuddin@FRWRD.com

FRWRD 
ACTUARIAL SERVICES RFP

Table of Contents

| | <u>Page No</u> |
|--------------------------------|-----------------------|
| 1. Introduction | 3 |
| 2. Overview | 4 |
| 3. Scope of actuarial services | 4 |
| 4. Proposal submission | 5 |
| 5. Evaluate criteria | 5 |
| 6. Selection procedures | 6 |



ACTUARIAL SERVICES RFP

1- Introduction

The Fox River Water Reclamation District, Illinois (the District) requests written proposals from certified actuarial consulting firms to perform actuarial valuations for the requirements of GASB Statement 45, pertaining to the District's Postretirement Health Plan for the fiscal year ending April 30, 2019.

These services are to be performed in accordance with the actuarial standard generally accepted in the United States of America. The most recent actuarial report for the fiscal year ending April 30, 2017 is available upon request.

To be considered, three (3) copies of the proposal must be received by the District at the address: 1957 N. LaFox (Rte. 31) South Elgin, IL 60177 by 4:00 P.M. on January 4, 2019. Responses shall be submitted in sealed envelopes and clearly identified as "PROPOSAL FOR ACTUARIAL SERVICES". During the evaluation process, the District may require proposers to submit additional information or clarification.

Confidentiality: The District will examine the submittals to determine the validity of any written requests for nondisclosure of trade secrets and other proprietary data identified in submitted RFP. After award of the contract, all responses, documents, and materials submitted by the consultants pertaining to this RFP will be considered public information and will be made available for inspection, unless otherwise determined by the District. All data, documentation and innovations developed as a result of these contractual services shall become the property of the District. Based upon the public nature of this RFP, a consultant must inform the District, in writing, of the exact materials in the RFP that cannot be made a part of the public record in accordance with the Illinois Freedom of Information Act.

Reserved Rights: The District reserves the right, at its sole discretion, to use without limitation any of the information, concepts, and data submitted in response to this RFP, or derived by further investigation thereof. The District further reserves the right at any time and for any reason to cancel this solicitation, to reject any or all submittals, to supplement, add to, delete from, or otherwise change this RFP if conditions dictate. The District may seek clarifications from a Submitter at any time and failure to respond promptly may be cause for rejection. The District also reserves the right to interview only those consultants it determines shall provide the most advantageous services to the District, to make selection without interviews, and to negotiate with one or more Submitters acceptable to the District.

Incurred Costs: The District will not be liable for any costs incurred by submitters in replying to this RFP.

Addenda: If deemed necessary, the District will issue addenda in writing prior to the date of receipt of submittals, which modify or interpret the RFP by



ACTUARIAL SERVICES RFP

addition, deletion, clarification, or correction. Addenda may be issued via electronic transfer to all parties attending the pre-submittal meeting and will be posted to the District website. The District will not be responsible for potential submitters that do not receive the addenda which are not listed with the District as potential submitters for the project. Submittal of a RFP shall be taken to mean that such consultants have received all addenda and that the consultants are familiar with the terms and requirements thereof.

Questions regarding submittal requirements can be directed to Nazer Uddin, Finance Manager, via email at nuddin@frwr.com.

2- Overview

The District owns and operates three water reclamation facilities, 12 remote pump stations in the collection system, and one drinking water system. The WRFs provide wastewater treatment services to over 200,000 people within the communities of Elgin, West Dundee, portion of Sleepy Hollow, Streamwood, Hoffman Estates, unincorporated St. Charles Township, and surrounding areas in Kane and Cook Counties. The District drinking water system provides water to the Skyline area of Kane County for approximately 380 customer accounts.

The District operation is overseen by a Board of Trustees appointed by Illinois State Legislators from the District service area. The Executive Director is the Chief Executive Officer of the District and responsible for the District operation.

In accordance of the District's Ordinance 857, adopting the eligibility requirements for Group Medical Coverage to be provided to retirees and dependents of retirees, the District will pay for the costs of one hundred percent (100%) of the premium for Group Medical Coverage for an eligible retired employee and the District will pay for the costs of fifty percent (50%) of the premium for Group Medical Coverage for the dependents of an eligible retired employee. At such time as a dependent spouse of an eligible retired employee receiving benefits here under becomes eligible for and receives coverage from Medicare the District will pay dependent Group Medical Coverage costs for the spouse at one hundred percent (100%). In the event of the death of an eligible retired employee receiving dependent benefits under the Ordinance, the District will pay for the costs of one hundred percent (100%) of the premium for Group Medical Coverage for the employee's dependents. In the event of the death of an employee prior to retirement who would in all respects be eligible to retire from the District and receive employee and dependent Group Medical Coverage under the Ordinance, the District will pay for the costs of one hundred percent (100%) of the premium of Group Medical Coverage for the employee's dependents, until such time as they no longer qualify as an eligible dependent.

3- Scope of Work

The actuary shall perform an actuarial study of the liabilities and costs for the District's Postretirement Health Plan that are required to report under the



ACTUARIAL SERVICES RFP

GASB 45 Statement, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension.

A written evaluation report shall include but are not limited to the following:

1. Executive Summary of Actuarial Valuation Results
2. Statement of Actuarial Opinion
3. Funding Policy
4. Development of Annual Required Contribution (ARC)
5. Development of Unfunded Actuarial Accrued Liability
6. Changes from the Previous Actuarial Valuation
7. Participant Data
8. Summary of Eligibility & Coverage
9. Actuarial Methods and Assumptions
10. GASB 45 Disclosures
11. The report must be completed and provided to the District no later than April 30, 2019.
12. Update the staff on new actuarial standard of practices that may be relevant to this study.
13. Attend the District's Board meeting to present the report, if required.

4- Proposal submission

The following information is to be included in your proposal:

- A. Profile of Firm
- B. Governmental experience as related to Sanitary Districts in Illinois
- C. Resumes of all personnel to be assigned to the District engagement
- D. Municipal customer references
- E. Approach and timeline of engagement
- F. Scope of engagement as stated in this RFP
- G. Fees schedule based on a maximum not to exceed fee for the first study and a subsequent study to be conducted at the end of the following two years.
- H. Certificate of insurance.

5- Evaluation Criteria

The selection team, consisting of the District Executive Director, Technical Director and Finance Manager, will review the proposals. The recommendation for audit firm will be based on the following criteria.

- A. The firm's experience and reputation in performing municipal actuarial services based on references provided.
- B. The qualifications and experience of the personnel to be assigned to the District engagement.
- C. Proposed scope of services.
- D. Personal interview with the personnel to be assigned to this engagement, if deemed necessary by the District.
- E. Timeline and schedule of the report delivery.



FRWRD
ACTUARIAL SERVICES RFP

6- Selection procedures

All proposals will be evaluated for completeness and relevant experience. No proposal will be accepted after the date and time indicated on the front page. It is anticipated that the selection team's recommendation to select the firm will be presented to the Board at the January 14th meeting of the Board of Trustees.