



ORIGINAL

Cavanaugh Macdonald
CONSULTING, LLC

The experience and dedication you deserve

**Nebraska Public Employees Retirement Systems
Request for Proposal
RFP Number 5989 Z1**

BEST AND FINAL OFFER

Due Date: February 20, 2019

Submitted by:

**Patrice A. Beckham, FSA, EA, FCA, MAAA
Principal and Consulting Actuary**

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Chief Actuary**

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Bellevue, NE 68123
402-905-4461**



5989 Z1 BAFO COST PROPOSAL

ACUTARIAL SERVICES FOR THE NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS (NPERS)

These costs shall be all-inclusive. Neither the State, the PERB, nor NPERS will be responsible for travel, out-of-pocket, or other expenses of the actuarial consultant/firm.

Firm Name: Cavanaugh Macdonald Consulting, LLC

Description	Unit of Measure	Initial Award Year One	Initial Award Year Two	Initial Award Year Three
Consultation Service and Reports for the Annual Valuation of the School Defined Benefit Plan	\$	26,000	26,000	26,000
Consultation Service and Reports for the Annual Valuation of the Judges Defined Benefit Plan	\$	20,000	20,000	20,000
Consultation Service and Reports for the Annual Valuation of the Patrol Defined Benefit Plan	\$	20,000	20,000	20,000
Consultation Service and Reports for the Annual Valuation of the State Cash Balance Plan and ERBF	\$	26,000	26,000	26,000
Consultation Service and Reports for the Annual Valuation of the County Cash Balance plan and ERBF	\$	26,000	26,000	26,000

Consultation Services and Reports for GASB 67	\$	20,000	20,000	20,000
Consultation Services and Reports For GASB 68	\$	30,000	30,000	30,000
Annual 5 year projection report	EA	10,000	10,000	10,000
Annual 30 year projection report	EA	20,000	20,000	20,000
Projection modeling software	YR	0*	0*	0*
2020 Actuarial experience study (every 4 years)	EA	0	52,000	0
One Time Benefit Adequacy Study to be completed as required by NPERS	EA	125,000**		

*The basic model that produces the five and thirty year projections is provided to NPERS at no charge. If specific plan design changes are requested, we can provide a fixed fee in advance once the scope of service is more clearly defined.

**This amount is based on limited information regarding the scope of the project. A better estimate can be provided once the full scope of the study has been determined.

OPTIONAL SUPPLEMENTAL SERVICES:

PLEASE LIST ALL POSITIONS THAT MIGHT BE UTILIZED FOR ADDITIONAL SUPPLEMENTAL SERVICES. (Add rows as needed.)

Hourly ranges will not be accepted. Please break out positions if needed. For example, Consulting Actuary I, Consulting Actuary II, Consulting Actuary III, etc.

Position Title	Initial Award Year One Hourly Rate	Initial Award Year Two Hourly Rate	Initial Award Year Three Hourly Rate
Principal	420	428	436
Consulting Actuary II	405	413	421
Consulting Actuary I	390	400	410
Senior Actuary	380	390	400
Actuary	350	360	370
Senior Actuarial Analyst	335	345	355
Actuarial Analyst	300	310	315
Support Staff	145	150	155

OPTIONAL THREE (3) YEAR - RENEWAL 1

Description	Unit of Measure	Optional Renewal 1 Year Four	Optional Renewal 1 Year Five	Optional Renewal 1 Year Six
Consultation Service and Reports for the Annual Valuation of the School Defined Benefit Plan	\$	27,000	27,000	28,000
Consultation Service and Reports for the Annual Valuation of the Judges Defined Benefit Plan	\$	21,000	21,000	22,000
Consultation Service and Reports for the Annual Valuation of the Patrol Defined Benefit Plan	\$	21,000	21,000	22,000

Consultation Service and Reports for the Annual Valuation of the State Cash Balance Plan and ERBF	\$	27,000	27,000	28,000
Consultation Service and Reports for the Annual Valuation of the County Cash Balance plan and ERBF	\$	27,000	27,000	28,000
Consultation Services and Reports for GASB 67	\$	21,000	21,000	22,000
Consultation Services and Reports For GASB 68	\$	31,000	31,000	32,000
Annual 5 year projection report	EA	11,000	11,000	11,000
Annual 30 year projection	EA	21,000	21,000	21,000
Projection modeling software		0*	0*	0*
2024 Actuarial Experience Study	EA		56,000	

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**This amount is based on limited information regarding the scope of the project. A better estimate can be provided once the full scope of the study has been determined.

OPTIONAL SUPPLEMENTAL SERVICES DURING OPTIONAL RENEWAL PERIODS:

PLEASE LIST ALL POSITIONS THAT MIGHT BE UTILIZED FOR ADDITIONAL SUPPLEMENTAL SERVICES (Add rows as needed.)

Hourly ranges will not be accepted. Please break out positions if needed. For example, Consulting Actuary I, Consulting Actuary II, Consulting Actuary III, etc.

Position title	Optional Renewal One Year Four Hourly Rate	Optional Renewal One Year Five Hourly Rate	Optional Renewal One Year Six Hourly Rate
Principal	445	455	465
Consulting Actuary II	430	440	450
Consulting Actuary I	420	430	440
Senior Actuary	410	420	425
Actuary	380	390	400
Senior Actuarial Analyst	360	370	380
Actuarial Analyst	325	335	345
Support Staff	160	165	170