



CITY OF SACRAMENTO

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SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM

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CITY MANAGER'S OFFICE

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SEP 11 1980

DUNBAR W. HEINS
RETIREMENT SYSTEM MANAGER
SECRETARY TO THE BOARD

September 11, 1980

Honorable City Council
Council Chamber
City Hall
Sacramento, CA 95814

APPROVED
BY THE CITY COUNCIL

SEP 25 1980

OFFICE OF THE
CITY CLERK

RE: Selection of Actuary

Honorable Members in Session

SUMMARY

The Administration, Investment, and Fiscal Management Board has chosen the firm of Towers, Perrin, Forster & Crosby as their new system actuary following a comprehensive Request for Proposal process. The 1980 actuarial valuation will be delivered in December for adoption by the Board in January 1981.

BACKGROUND

The retirement system retained Hyatt Zischke as its actuary from 1976 to present. Under a policy of periodic review and change of actuarial services, the Board proceeded with a formal Request for Proposal (RFP) process, directing RFP specifications to 34 firms in addition to the placement of an advertisement in a national newspaper. Fourteen responses were received, of which five were chosen as finalists for interview by the Board on September 4th and 5th. Towers, Perrin, Forster & Crosby was selected from that group based on a thorough examination of its qualifications and presentation, and on its experience with a number of California cities and counties. This report will be delivered within 90 days.

FISCAL IMPACT

Under City Charter requirements, the City is obligated to pay the costs of retirement system administration, including actuarial services. The Personnel Department has been allocated the sum of \$26,400 for such actuarial work in its 1980-81 budget as an estimated fee for service. Towers, Perrin, Forster & Crosby's bid consists of \$26,000 for valuation studies and routine consultation and falls within the estimated appropriation.

RECOMMENDATION

It is recommended that the City Council accept this report, as information, on the selection of Towers, Perrin, Forster & Crosby as a new retirement system actuary.

Respectfully submitted,


Dunbar W. Heins
Secretary to the Board

APPROVED:


Donald Lyle
Director of Personnel


Walter J. Shippe
City Manager