

**CITY OF ST. PETE BEACH  
GENERAL EMPLOYEES' RETIREMENT SYSTEM**

**PENSION PLAN ADMINISTRATOR**

**REQUEST FOR PROPOSAL**

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FOR PLAN ADMINISTRATOR**

**I. DESCRIPTION AND DECLARATIONS**

The Board of Trustees of the City of St. Pete Beach General Employees' Retirement System is seeking professional plan administration services from proposers who are experienced in the administration of public retirement plans.

The Board of Trustees of the City of St. Pete Beach General Employees' Retirement System (Board), hereby gives notice that proposals will be accepted from all individuals or firms interested in providing pension plan administration services in accordance with all applicable local, state and federal rules, codes, regulations and/or laws.

The Board will select the successful offeror on the basis of the written proposal submittal and an oral presentation to the Board, if requested by the Board. Presentations shall only be scheduled with those individuals or firms whom the Board feels are best qualified to perform the required services. The Board reserves the right to withdraw this Request For Proposal at any time to protect its best interest and the right to reject any non-conforming or non-responsive proposals.

The request and submittal of your proposal shall in no way be construed as an obligation on the part of the Board to provide you with compensation for your efforts or to contract with your firm. However, all proposals shall be considered a binding and irrefutable offer for a period of sixty (60) days after the proposal due date.

**II. EXISTING PLAN**

The City of St. Pete Beach has in effect a defined benefit retirement plan which covers all permanent full-time employees. The Board holds regularly scheduled quarterly meetings, which dates are as follows: January 18, 2018, April 19, 2018, July 19, 2018 and October 18, 2018. The plan's Actuary is Foster & Foster, Inc., the Custodian is Salem Trust Company, their Investment Consultant is Morgan Stanley Smith Barney, and they currently have four Investment Managers. A copy of the most recent Comparative Summary of Principal Valuation Results is attached.

### III. SCOPE OF SERVICES

The Pension Board is relying on the fact that the Consultant is an expert in public pension plan administration. Services to be provided by the administrator shall include, but not be limited to, the following:

1. Schedule and attend all Board meetings
2. Prepare agendas for all meetings and post notices and agendas of meetings
3. Prepare and transcribe minutes, record all meetings. Process minutes promptly and distribute
4. Post all minutes as directed
5. Maintain necessary communication with any business entities associated with the Board. Distribute correspondence for the plan to Board members and attorneys
6. Respond to inquiries by trustees, general employees (active, retired and terminated), money managers, custodians, and other contract professionals
7. Maintain a liaison between the Board and the City
8. Set up and maintain files. File all necessary documents and preserve them in an orderly fashion as required by Public Records law
9. Order and maintain supplies and equipment as needed
10. Make copies as needed
11. Assure that the Pension Plan is administered in accordance with the Operating Rules and Procedures and the Pension Ordinance
12. Review all statements and documents received from:
  - Money Managers
  - Performance Monitors
  - Attorneys
  - Actuaries
  - Accountants
  - Others
13. Review invoices and pay plan expenses as authorized
14. Review and reconcile bank statements

15. Process all claims as directed
16. Maintain current roster of members and retirees, including status and addresses
17. Obtain all necessary information and process retirement applications for members for forwarding to actuarial firm for calculations of benefits
18. Process pension benefits payments monthly and maintain a record of all payments for reconciliation for year-end reporting. Monitor disbursement of payments for retirees and disability recipients (to ensure proper payment is being made). Process of deposits of withholding for pension retirees
19. Calculate refunds on termination payments and required rollover documents
20. Collect necessary data for the City's audit report
21. Maintain current, up to date beneficiary designations as required
22. Maintain inventory of Board property
23. Maintain a liaison with the City to obtain new employee data in a timely manner
24. Maintain a liaison with the State of Florida Division of Retirement
25. Maintain a liaison with other pension plans and organizations as needed in the best interest of the Board
26. Prepare the annual information of contributions for the Board's actuary to assist in preparation of the annual actuarial valuation report
27. Process all paperwork regarding disability cases as required by the Board attorney.
28. Perform projects as directed by the Board
29. Offer information pertinent to the Board as directed
30. Assure compliance with the Government in the Sunshine Law and the Public Records Act
31. Prepare Annual Administrative Budget
32. Prepare Annual Detailed Accounting Report of Actual Plan Expenses

IV. CONTRACT PERIOD

The Pension Board anticipates this relationship to continue at the pleasure of both parties.

V. INFORMATION REQUIRED OF THE PROPOSER

1. Title page
2. Table of Contents
3. Profile of Proposer:
  - Where incorporated
  - Office of primary contact
  - Corporate status
4. Summary of qualifications
  - Biographies of staff to be assigned (not to be substituted except by prior approval of the Pension Board)
5. Client list of public retirement plans
6. List of Florida clients
7. Fees, costs and expenses – **Please specifically indicate what costs and expenses are proposed to be charged in addition to any flat fee amount.**
8. Services offered
9. Types of insurance you carry and limits of liability
10. **FOR YOUR INFORMATION**, Section 287.133, Florida Statutes, provides that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

## VI. EVALUATION OF PROPOSALS

Proposals will be evaluated using any method which best meets the needs of the City of St. Pete Beach General Employees' Retirement System which reserves the right to reject any or all proposals in its sole discretion. Evaluation criteria will include:

1. Responsiveness of the proposal
2. Technical experience of the firm
3. Experience and professional training
4. Fees
5. References

## VII. ADDITIONAL INFORMATION

1. The Board will not be liable for any cost incurred in the preparation of proposals.
2. The submission of a proposal shall be prima facia evidence that the proposer has full knowledge of the scope, nature, quantity and quality of work to be performed, the detailed requirements of the specifications, and the conditions under which the work is to be performed.
3. The proposer shall furnish the Board such additional information as it may reasonably require.
4. The Board will not be liable for any costs which are not in the proposal or subsequently contracted for.
5. The Board reserves the right to conduct personal interviews with any or all proposers prior to selection. The Board will not be liable for any costs incurred by the Proposer in connection with such interview (including travel, accommodations, etc.)
6. The Board reserves the right to conduct precontract negotiations with any or all potential proposers.
7. The Board reserves the right to waive minor irregularities in the procedures.
8. To ensure fair consideration for all proposers, the Board prohibits communication to or with any City employee or Pension Board member during the submission process. Any questions relative to interpretation of specifications or the proposal process shall be addressed to the Attorney for the Pension Board, in writing, in

time before the period set for the receipt and opening of proposals. No inquiries, if received within five days of the date set for the opening of proposals, will be given any consideration. Any interpretation made to prospective proposers will be expressed in the form of a written addendum to the specifications which, if issued, will be sent to all prospective proposers no later than three days before the date set for receipt of proposals.

9. The Board reserves the right to reject any and all bids and has the right to waive any irregularities or informalities in a bid at anytime during the bidding process until a contract has been executed.
10. The award of the bid will be to the bidder whose bid, in the opinion of the Board, is the best bid, taking into consideration all aspects of the bidder's response, including the total net cost to the Board.
11. In the event that the bidder to whom the bid is tentatively awarded does not execute a contract within fifteen (15) days after notification of selection, the Board may give notice to such bidder of intent to award to the next most qualified bidder or to call for new bids, and may proceed to act accordingly.
12. **The Board of Trustees of the City of St. Pete Beach Police Officers' Retirement System and the City of St. Pete Beach Firefighters' Retirement System may also be seeking the services of an Administrator. The Boards normally meet on the same day, consecutively. Please provide any available fee concessions should all Boards elect to retain your services.**

#### VIII. MISCELLANEOUS

1. Please state whether you are willing to acknowledge that you are a fiduciary of the plan pursuant to Section 112.656, Florida Statutes.
2. Please state whether you agree that the agreement shall be construed under the laws of the state of Florida and federal law where applicable.
3. Please state whether you agree to venue for any judicial proceeding to be in the county in which the Board sits.
4. Please state what cyber security measures you have in place to protect the integrity of member and retiree data.

IX. CONTACT PERSON FOR PENSION BOARD

Time is of the Essence! Submit Nine Copies of Your Proposal in Writing on or Before August 17, 2018; The Board may reject late proposals. Mail in a Sealed Envelope as Follows:

Proposal for Professional Plan Administration Services  
City of St. Pete Beach General Employees' Retirement System  
Ms. Rebecca Haynes, City Clerk  
155 Corey Ave.  
St. Pete Beach, Florida 33706

**Any proposals received after that date shall be recorded as "late".**

An electronic copy of this Request for Proposal can be requested by calling 941-377-2200.

ksh/spb/gen/08-01-18.Admin-rfp



COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2017</u>	<u>10/1/2016</u>
<b>A. Participant Data</b>		
Actives	16	18
Service Retirees	64	62
DROP Retirees	2	2
Beneficiaries	8	8
Disability Retirees	1	1
Terminated Vested	<u>51</u>	<u>45</u>
<b>Total</b>	<b>142</b>	<b>136</b>
<b>Total Annual Payroll</b>	<b>\$607,616</b>	<b>\$724,814</b>
<b>Payroll Under Assumed Ret. Age</b>	<b>607,616</b>	<b>724,814</b>
<b>Annual Rate of Payments to:</b>		
Service Retirees	974,193	916,455
DROP Retirees	25,205	25,205
Beneficiaries	111,603	117,798
Disability Retirees	1,806	1,806
Terminated Vested	127,520	143,363
<b>B. Assets</b>		
Actuarial Value (AVA) <sup>1</sup>	12,288,062	12,018,526
Market Value (MVA) <sup>1</sup>	12,068,109	11,625,585
<b>C. Liabilities</b>		
	604,578	
<b>Present Value of Benefits</b>		
<b>Actives</b>		
Retirement Benefits	1,596,124	2,096,427
Disability Benefits	21,676	22,240
Death Benefits	12,924	21,837
Vested Benefits	3,803	18,012
Refund of Contributions	10,296	12,999
Service Retirees	12,104,097	11,307,166
DROP Retirees <sup>1</sup>	461,681	413,175
Beneficiaries	1,632,499	1,554,330
Disability Retirees	4,626	5,152
Terminated Vested	<u>1,268,133</u>	<u>1,393,967</u>
<b>Total</b>	<b>17,115,859</b>	<b>16,845,305</b>

C. Liabilities - (Continued)	<u>10/1/2017</u>	<u>10/1/2016</u>
Present Value of Future Salaries	2,817,006	2,692,302
Present Value of Future Member Contributions	84,510	80,769
Normal Cost (Retirement)	35,214	36,849
Normal Cost (Disability)	1,686	1,673
Normal Cost (Death)	1,183	1,789
Normal Cost (Vesting)	477	1,563
Normal Cost (Refunds)	<u>1,666</u>	<u>2,506</u>
Total Normal Cost	40,226	44,380
Present Value of Future Normal Costs	172,272	161,335
Accrued Liability (Retirement)	1,447,412	1,963,780
Accrued Liability (Disability)	13,761	15,683
Accrued Liability (Death)	7,730	14,996
Accrued Liability (Vesting)	1,395	13,224
Accrued Liability (Refunds)	2,253	2,497
Accrued Liability (Inactives) <sup>1</sup>	<u>15,471,036</u>	<u>14,673,790</u>
Total Actuarial Accrued Liability (EAN AL)	16,943,587	16,683,970
Unfunded Actuarial Accrued Liability (UAAL)	4,655,525	4,665,444
Funded Ratio (AVA / EAN AL)	72.5%	72.0%

D. Actuarial Present Value of Accrued Benefits	<u>10/1/2017</u>	<u>10/1/2016</u>
Vested Accrued Benefits		
Inactives <sup>1</sup>	15,471,036	14,673,790
Actives	1,089,309	1,449,975
Member Contributions	<u>296,952</u>	<u>388,256</u>
Total	16,857,297	16,512,021
Non-vested Accrued Benefits	<u>57,335</u>	<u>131,584</u>
Total Present Value Accrued Benefits (PVAB)	16,914,632	16,643,605
Funded Ratio (MVA / PVAB)	71.3%	69.9%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
New Accrued Benefits	111,360	
Benefits Paid	(1,072,544)	
Interest	1,232,211	
Other	<u>0</u>	
Total	271,027	

Valuation Date	10/1/2017	10/1/2016
Applicable to Fiscal Year Ending	<u>9/30/2019</u>	<u>9/30/2018</u>

E. Pension Cost

Normal Cost (with interest) % of Total Annual Payroll <sup>2</sup>	6.9	6.4
Administrative Expenses (with interest) % of Total Annual Payroll <sup>2</sup>	7.2	5.2
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 30 years (as of 10/1/2017, with interest) % of Total Annual Payroll <sup>2</sup>	88.4	71.8
Total Required Contribution % of Total Annual Payroll <sup>2</sup>	102.5	83.4
Expected Member Contributions % of Total Annual Payroll <sup>2</sup>	3.0	3.0
Expected City Contribution % of Total Annual Payroll <sup>2</sup>	99.5	80.4

F. Past Contributions

Plan Years Ending:	<u>9/30/2017</u>
Total Required Contribution	488,879
City Requirement	464,066
Actual Contributions Made:	
Members (excluding buyback)	24,813
City	<u>503,935</u>
Total	528,748

G. Net Actuarial (Gain)/Loss 94,479

<sup>1</sup> The asset values and liabilities include accumulated DROP Plan Balances as of 9/30/2017 and 9/30/2016.

<sup>2</sup> Contributions developed as of 10/1/2017 are expressed as a percentage of total annual payroll at 10/1/2017 of \$607,616.

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
2017	4,655,525
2018	4,454,927
2019	4,238,984
2026	2,604,925
2033	934,199
2040	0
2047	0

I. (i) 3 Year Comparison of Actual and Assumed Salary Increases

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2017	2.81%	5.00%
Year Ended	9/30/2016	2.03%	5.00%
Year Ended	9/30/2015	2.03%	5.00%

(ii) 3 Year Comparison of Investment Return on Actuarial Value

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2017	7.30%	7.65%
Year Ended	9/30/2016	7.66%	7.65%
Year Ended	9/30/2015	9.74%	7.75%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2017	\$607,616
	10/1/2007	1,855,096
(b) Total Increase		-67.25%
(c) Number of Years		10.00
(d) Average Annual Rate		-10.56%

