

Summary of Request for Proposals - Actuarial Services Joint Retirement Fund Boards

		EFI Actuaries	Mellon	Segal	Milliman
1	Valuation Fee:				
	Year 1 Valuation Fee	\$325,000	\$301,000	\$165,000	\$225,000
	Year 1 MPRIF	<u>Included</u>	<u>\$20,000</u>	<u>\$20,000</u>	<u>Included</u>
	Total Valuation Fee Year 1	\$325,000	\$321,000	\$185,000	\$225,000
	Year 2 Valuation Fee	\$335,000	\$316,500	\$165,000	\$225,000
	Year 2 MPRIF	<u>Included</u>	<u>\$21,000</u>	<u>\$20,000</u>	<u>Included</u>
	Total Valuation Fee Year 2	\$335,000	\$337,500	\$185,000	\$225,000
	Year 3 Valuation Fee	\$345,000	\$332,000	\$165,000	\$225,000
	Year 3 MPRIF	<u>Included</u>	<u>\$22,500</u>	<u>\$20,000</u>	<u>Included</u>
	Total Valuation Fee Year 3	\$345,000	\$354,500	\$185,000	\$225,000
	Total Valuation Fee, First Three Years	\$1,005,000	\$1,013,000	\$555,000	\$675,000
2	Experience Study:				
	PERA	\$70,000	\$40,000		\$23,000
	TRA	\$52,500	\$40,000	\$45,000	\$22,000
	MSRS	<u>\$35,000</u>	<u>\$40,000</u>		<u>\$20,000</u>
	Total	\$157,500	\$120,000		\$65,000
3	Total Valuation Fee First 3 Years, Plus Experience Study	\$1,162,500	\$1,133,000	\$600,000	\$740,000
4	Actuarial Cost Estimates:				
	Year 1 (Hourly)	\$250	See range of hourly rates.	See range of hourly rates. Assumes 10 estimates per year.	\$190/hour first 2 years \$200/hour next 2 years
	Year 2 (Hourly)	\$260			
	Year 3 (Hourly)	\$270			
5	LCPR Meetings:		Includes 4 meetings in St. Paul per year; Add'l. at \$2,000 per consultant, per day, plus travel expenses	See range of hourly rates. Assumes 3 visits per year	\$290/hour first 2 years; \$300/hour next 2 years
	Year 1 (Hourly)	\$325			
	Year 2 (Hourly)	\$335			
	Year 3 (Hourly)	\$345			
6	Range of Hourly Rates - Professionals	\$135 - \$410	\$112 - \$452	\$225 - \$325	\$150 - \$450
7	Set Up & Comparison Valuation Fee	\$0	\$0	\$0	\$0
8	Limitation on Liability	None	None, but arbitration language; discount all fees 10% with a \$10 million limit	None	\$10 million; arbitration language
9	Other Costs	\$350 for travel out of T.C.	None	See range of hourly rates	See range of hourly rates

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10	Date Established & Ownership Structure	1990; Ed Friend=90%, Robert McCrory=5%, A. Crowder=5%	1916; Publicly traded company on NYSE	1939; Employee owned corporation	1947; Privately held corp. owned by 261 principals
11	Office Locations	Wash. D.C., Sacramento, Seattle, Boca Raton, New York, (new office in Richfield, MN if retained)	27 offices located in USA; 38 offices outside of USA	16 offices located in USA; 2 offices outside of USA	Seattle, WA; Brookfield, WI; Bloomington, MN
12	Number of Professional Staff	12	>700	845	1,800
13	Office Providing Services	Wash. D.C., Seattle & new office in Richfield, MN	New York, San Francisco, Atlanta, Denver, Mpls.	Englewood, CO; New York; Chicago; Wash. D.C.	Seattle, WA; Brookfield, WI; Bloomington, MN
14	Lead Actuaries	Ed Friend, Robert McCrory, Graham Schmidt, Kari Fredrickson, Chester Schneider, A. Crowder	Tom Cavanaugh, Mike Moehle, Ed Macdonald, Dave Slishinsky, Flick Fornia, Mike Mills	Leslie Thompson, Howard Rog, David Strom, Cathie Eitelberg, Melanie Walker, Wally Malles, Susan Hogarth, Todd Kanaster	Tom Custis, Bill Hogan, Lance Burma, Tim Herman
15	Minnesota Connection	None. Would open new office in Richfield, MN if hired.	MN TRA consulting actuary.	MN PERA & TRA Compliance work; Bloomington, MN office has 4 employees.	Actuary/consulting for MN LCPR, Bloomington Fire, MERF, League of MN Cities Insurance Trust, MN Dept. Human Svcs., MN Dept. Commerce, other Service Cooperatives.