

**TOWN OF GUILFORD**  
**RFQ/RFP#3-1819**  
**Pension and Other Post- Employment Actuarial Services**  
**February 25, 2019**  
**ADDENDUM #1**

- 1. Information Request:** The following information was requested: 1) copy of most recent funding, GASB 67/68 and GASB 74/75 actuarial reports; 2) copy of most recent experience study; and 3) latest quarterly investment report.

**Attached are the following reports:**

6/30/18 Guilford Public Schools OPEB Program GASB 75 Disclosure  
6/30/18 Town of Guilford OPEB Program GASB 75 Disclosure  
6/30/18 Guilford Public Schools Pension Plan GASB 67 & 68 Disclosure  
6/30/18 Town of Guilford Pension Plan GASB 67 & 68 Disclosure  
12/31/18 Quarterly Performance Evaluation  
2015 Salary Increase Experience Study

- 2. Question:** How long has the current actuary been providing actuarial services?

**Answer:** Over 15 years.

- 3. Question:** Are there any service concerns and/or limitations with the current actuary?

**Answer:** None.

- 4. Question:** What were the fixed fees billed in the last three years? Please provide separate breakdown for each plan if possible.

- 5. Question:** What special and/or out of scope services have been billed in the last two years, in addition to the fixed fees? How many hours were billed for these services?

**Answer:** Our financial records do not have a breakdown of fixed fees vs. special services, nor are they broken out by hours. Three years of overall fees for the total plan are as follows:

|      |           |
|------|-----------|
| FY16 | \$118,760 |
| FY17 | \$111,422 |
| FY18 | \$ 94,708 |

- 6. Question:** Our standard consulting agreement terms and conditions include some limitation on liability for mere negligence or from consequential damages. Is the Town open to accepting mutually-agreeable contract terms, which include some limitation of liability on the work performed by the contracting actuarial firm?

**Answer:** The Town is willing to consider an appropriate limitation of liability provision. However, any such provision must be limited to the damages, if any, that exceed the policy limits for all applicable insurance policies. The Town must be made whole from any losses incurred as a result of the negligence of its vendor. Thus, any limitation of liability provision must be written in a manner that ensures, through a combination of insurance and vendor contribution, reimbursement to the Town of any losses incurred as a result of vendor negligence or breach of contract.