

**ADDENDUM NO. 1**

**Kansas City Area Transportation Authority  
1350 E. 17<sup>th</sup> Street  
Kansas City, Missouri 64108**

**RFP #19-7008-21A  
Salaried Pension Plan Actuarial Services**

Issue Date: April 4, 2019

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This Addendum is hereby made a part of the Bidding Documents to the same extent as if it was originally included therein and is intended to modify and/or interpret the bidding documents by additions, deletions, clarifications or corrections. The Contractor shall acknowledge in the proposal the receipt of this Addendum.

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**The following sentence is deleted from the RFP:**

“Proposals must be received with all required submittals as stated in the RFP no later than 2:00 P.M. CDT on May 1, 2019”

**It is replaced with the following:**

“Proposals must be received with all required submittals as stated in the RFP no later than 2:00 P.M. CDT on May 8, 2019.”

**Section 1 of the RFP is deleted and replaced with the following:**

Proposed Advertised and Issued	March 18, 2019
Deadline for Proposer Questions, Comments, & Requests for Clarification	March 29, 2019 2:00 P.M.
KCATA’s Response to Questions/Requests for Clarification	April 25, 2019
Proposal Closing	May 8, 2019 2:00 P.M.
Interviews (Tentative, and if Required)	May 20-23, 2019
Potential Notice to Award Contract	June, 2019

**QUESTIONS AND ANSWERS RELATED TO RFP# 19-7008-21A**

1. The RFP indicates that this is a governmental plan. The RFP indicates that all information required by FASB be provided as part of the services. FASB does not apply to governmental plans. Please confirm this is a governmental plan.

**ANSWER:** Actually, the rules are similar, but typically follow GAAP and GASB. The RSM audit should indicate in the footnote on the main audit and probably the pension audits should tell the proper guidance. Our Director of Finance will approve copies of all audit reports

2. Please provide copy of the most recent actuarial valuation report.

**ANSWER:** See Actuarial Valuations as of January 1, 2017 & January 1, 2018 attached

3. Section 2.C (p7). RFP requires an annual retirement calculation. Please explain what this is and/or provide a copy of the most recently completed annual retirement calculation.

**ANSWER:** Annual benefit statements are provided to all participants. See Participant Benefit Statement attached.

4. Section 2.C RFP requires a calculation of benefits. Please explain or provide a copy of the most recent completed calculation of benefits.

**ANSWER:** The actuary is required to provide an actuarial valuation of the employee's pension value as well as distribution options. See Participant Benefit Statement attached.

5. Section 2.C The RFP requires "the actuary shall perform a calculation of participant annuity/ump sum to determine retirement options>" Is this referring to a certification of benefits when a member is actually retiring? If so approximately how many of these are needed per year?

**ANSWER:** The distribution options are calculated by the actuary for each employee. Please refer to Attachment B.

6. Section 2.C The RFP requires attendance at meetings. How many such meetings should the actuary plan to attend each year? Can participation in meetings ever occur by phone. Are the meetings for the Salaried and the Union plan on the same day?

**ANSWER:** May be required to attend two meetings per year. May be asked to attend for special circumstances. Yes, meetings may be conducted by phone in certain circumstances.

7. Section 2.C The RFP states "an actuarial estimator shall be in contact with a controlled group of Human Resources. Please explain.

**ANSWER:** The incumbent has provided the HR team with an excel spreadsheet that allows us to provide "estimates" of the employee's pension benefits.

8. Section 2.C The RFP requires an "annual Employee Benefit Statement". Typically, this term refers to a benefit estimated provided to each individual active member. Please provide a recent sample so we can confirm.

**ANSWER:** Please see Participant Benefit Statement attached.

9. Why are proposals for pension plan actuarial services being requested at this time?

**ANSWER:** End of contract period.

10. How long has the current actuary been providing actuarial services to the KCATA?

**ANSWER:** Three (3) years.

11. Can you provide the last two actuarial valuation reports?

**ANSWER:** See Actuarial Valuation Reports attached.

12. If an online actuarial estimator is requested under this RFP, are you currently using an online actuarial estimator or is this a new service to be provided?

**ANSWER:** Currently using an estimator provided by the actuary. This is NOT available for employee use – HR use only.

13. Is the KCATA subject to GASB and or FASB accounting requirements? If so can you please provide any actuarial reports used to satisfy such requirements?

**ANSWER:** See GASB 67 and GASB 68 attached.

14. Please confirm that the PBGC premium calculation is required.

**ANSWER:** We are not covered by the PBGC.

15. Page 7 Section A – are the employee and retiree counts shown just for the Salaried Plan?

**ANSWER:** Yes

16. Page 8 first paragraph states: “However, the KCATA will provide no additional fields nor perform any manipulation of the data”. Could you explain. Please confirm that KCATA will respond to such questions and provide the requested date, if available in their records.

**ANSWER:** We do not alter in anyway the information provided by the actuary and we always respond to questions and requests for data.

17. When was the initial census data file and financial data been provided to the actuarial firm for the last three years? How much work has been involved in providing follow-up information to questions from the actuary in past years.

**ANSWER:** The initial census file would have been provided three years ago. We provided an annual census. The amount of work involved in providing follow-up information will vary but we respond timely to all requests. Typically, it does not involve a lot of time from our perspective.

18. Page 9 – please provide a sample of the current format of the annual employee benefits statements

**ANSWER:** See Participant Benefit Statement attached

19. Please provide the following documents:
- a. Most recent actuarial reports
  - b. Most recent projections of plan liabilities, funded stats and contribution amounts
  - c. Sample benefit statements
  - d. Sample benefit calculation provided by current actuary

**ANSWER:**

- a. Already provided as Actuarial Reports
- b. See the 2018 RSM audited financial statement notes to the financials
- c. Already provided as Participant Benefit Statement
- d. Already provided as Attachment C

20. Has there been any problem with the current actuarial services provided? Is there an area of service that could be improved upon?

**ANSWER:** No – we have been satisfied with the service(s) provided.

21. How many meetings is the actuary expected to attend each year?

**ANSWER:** One or two

22. Will the actuary selected in the RFP process be preparing the January 1, 2019 actuarial valuation?

**ANSWER:** No – the current firm will be providing this service

23. Can you provide copies of the most recent actuarial valuation reports and GASB 67 and 68 reports?

**ANSWER:** See GASB67 and GASB 68 attached.

24. Who is the incumbent?

**ANSWER:** Cavanaugh MacDonald

25. How long has the current actuary been providing services?

**ANSWER:** 3 years

26. Will the current actuary be participating in these RFP's?

**ANSWER:** Yes

27. When is it expected the actuary will receive census data for the valuation?

**ANSWER:** We provide an annual census every year to the actuary so they can produce the employee annual benefit statements. This takes place after the first of each year.

28. Average number of benefit calculations performed?

**ANSWER:** See answer above

29. On-line actuarial estimator's function? Provide sample.

**ANSWER:** See answer above. The estimator looks exactly like the employee final benefit valuation and a copy is provided as an attachment to this Addendum.

**End of Addendum #1**

**RECEIPT OF ADDENDA**

**RFP #19-7008-21A  
Salaried Pension Plan Actuarial Services**

Offerors shall return this **RECEIPT OF ADDENDA** form when submitting your bid. The form shall be signed and dated by an authorized representative of the firm. Failure to submit this form may deem the Offeror non-responsive.

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We hereby acknowledge that the Addenda noted below have been received and all information has been incorporated in the RFP as required.

Addendum # 1                      Dated \_\_\_\_\_                      Date Received \_\_\_\_\_

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip Code: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Email Address: \_\_\_\_\_