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Contract No.: 185-10106

**Agreement to Supply: ACTUARIAL SERVICES / COLLECTIVE BARGAINING, PENSION, REFORM, BUDGET, FINANCE**

This agreement, made and entered into this the \_\_\_\_\_ day of \_\_\_\_\_, 2009, is by and between the **CITY OF FORT LAUDERDALE**, a Florida municipality, City Hall, 100 North Andrews Avenue, Fort Lauderdale, FL 33301, hereinafter called the "City" and Contractor:

Name: **Cavanaugh Macdonald Consulting, LLC**

Address: **3550 Busbee Parkway, Suite 250** City: **Kennesaw** State: **GA** Zip: **30144**

A Corporation  A Partnership  An Individual  Other: **Limited Liability Company**

authorized to do business in the State of Florida, hereinafter called the "Company" or "Contractor." Witnesseth that: Whereas, the City did issue a Request for Proposal (RFP) for supplying the requirements of the City for the items and/or service listed above for a period of **one year with four, one year extension options** and the Contractor submitted a proposal that was accepted and approved by the City.

Formal authorization of this contract was adopted by the City Commission on: **1/6/09 Pur-05, CAR 08-1913**

Now, therefore, for and in consideration of the mutual promises and covenants herein contained, the parties covenant and agree as follows:

**1.** The Company agrees to provide to the City actuarial services, during the period beginning **01/06/09** and ending **01/05/10** for the requirements listed above and according to the following specifications, terms, covenants and conditions:

**a.** This contract form G-110, the Request for Proposal containing General Conditions, Special Conditions, Specifications, addenda, if any, and other attachments forming a part of RFP Number **185-10106** and the Contractor's proposal in response, form a part of this contract and by reference are incorporated herein.

**b.** In construing the rights and obligations between the parties, the order of priority in cases of conflict between the documents shall be as follows:

- 1) This contract Form G-110, Rev. 12/00
- 2) The City's RFP and all addenda thereto
- 3) Contractor's proposal in response to the City's RFP

**c. Warranty:** The Company by executing this contract embodying the terms herein warrants that the product and/or service that is supplied to the City shall remain fully in accord with the specifications and be of the highest quality. In the event any product and/or service as supplied to the City is found to be defective or does not conform to specifications the City reserves the right to cancel that order upon written notice to the Contractor and to adjust billing accordingly.

**d. Cancellation:** The City may cancel this contract upon notice in writing should the Contractor fail to reasonably perform the service of furnishing the products and/or services as specified herein upon 30 days written notice. This applies to all items of goods or services.

**e. Taxes Exempt:** State Sales (85-8013875578C-1) and Federal Excise (59-600319) Taxes are normally exempt, however, certain transactions are taxable. Consult your tax practitioner for guidance where necessary.

**f. Invoicing:** Contractor will forward all invoices in duplicate for payment to the following: Finance Department, 100 N. Andrews Avenue, 6th Floor, Fort Lauderdale, FL 33301. If discount, other than prompt payment terms applies, such discount **MUST** appear on the invoice.

2. **Contract Special Conditions:** The following special conditions are made a part of and modify the standard provisions contained in this contract Form G-110.

The fixed hourly rate for all services provided by Company to City is \$300.00 per hour. The maximum amount to be paid by City to Company under this Contract is \$159,000.00. Any additional funds and/or extension options need to be approved by the City Commission.

3. **Contract Summary:**

a. Attachments:

**Cavanaugh Macdonald Consulting, LLC's response to the RFP and a copy of the RFP document.**

b. Payment Terms: Per RFP

c. Delivery: Per RFP

d. Insurance: Yes  No

e. Performance Bond/Letter of Credit: Yes  No

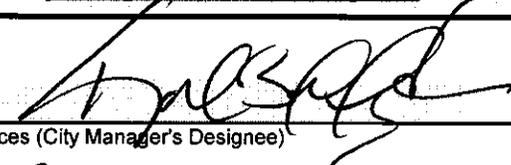
f. Procurement Specialist's Initials: RE

4. **Contractor's Phone Numbers:** Office: 678-388-1700

5. **Contractor's Fax Number:** 678-388-1730

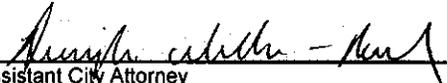
6. **Contractor's E-Mail Address:** joseF@CavMacConsulting.com Website: www.CavMacConsulting.com

**City of Fort Lauderdale**

By:   
Director of Procurement Services (City Manager's Designee)

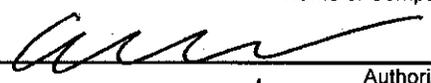
Date: 2/13/09

Approved as to form:

  
Assistant City Attorney

**Contractor/Vendor**

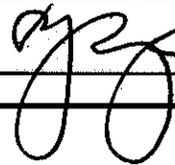
Edward Macdonald  
Name of Company Officer (please type or print)

By:   
Authorized Officer's Signature

Title: President

Date: 1/28/09

THOMAS J. CAVANAUGH  
Secretary (please type or print)

Attest:   
Signature of Secretary

## **BUSINESS ASSOCIATE AGREEMENT**

This Agreement is made and entered into this 6<sup>th</sup> day of January, 2009, by and between the City of Fort Lauderdale, a Florida municipality (hereinafter referred to as the "Covered Entity" or "City") and Cavanaugh MacDonald Consulting, LLC, a limited liability corporation authorized to transact business in the State of Florida (hereinafter referred to as "Business Associate").

WHEREAS, the Covered Entity and the Business Associate have established a business relationship in which Business Associate, acting for or on behalf of Covered Entity but not as a health care provider, receives Personal Health Information as defined by the Health Insurance Portability and Accountability Act of 1996 ("Act"); and

WHEREAS, the Covered Entity and the Business Associate desire to comply with the requirements of the Act's Privacy Rule as further set out below.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Covered Entity and the Business Associate agree as follows:

1. Definitions

a. Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the Privacy and Security Rules, as codified in 45 Code of Federal Regulations Parts 160 through 164, as may be amended.

2. Obligations and Activities of Business Associate

a. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by the Agreement or as Required by Law.

b. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

d. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware.

e. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

f. Business Associate agrees to provide access, at the request of Covered Entity, and in a reasonable time and manner, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524, if the Business Associate has Protected Health Information in a Designated Record Set.

g. Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, in a reasonable time and manner, if Business Associate has Protected Health Information in a Designated Record Set.

h. Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or to the Secretary, in a reasonable time and manner or as designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.

i. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

j. Business Associate agrees to provide to Covered Entity or an Individual, within ten (10) business days of receipt of a written request from the Covered Entity or an Individual, information collected in accordance with Section 2.i of this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

### 3. Permitted Uses and Disclosures by Business Associate

a. Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Actuarial Services

Agreement between the City of Fort Lauderdale and the Business Associate ("Original Contract"), provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

#### 4. Specific Use and Disclosure Provisions

a. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

b. Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

c. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

d. Business Associate may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. § 164.502(j)(1).

#### 5. Obligations of Covered Entity

a. Covered Entity shall notify Business Associate of any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of Protected Health Information.

b. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to

in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information.

6. Permissible Requests by Covered Entity

a. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity, except that Business Associate may use or disclose Protected Health Information for data aggregation or management and administrative activities of Business Associate if required by the terms of the Original Contract.

7. Term and Termination

a. The Term of this Agreement shall be effective as of the effective date of the Original Contract, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, or if it is illegal to destroy Protected Health Information, the protections are extended to such information, in accordance with the termination provisions in this Section.

b. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

1. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement and the Original Contract if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

2. Immediately terminate this Agreement and the Original Contract if Business Associate has breached a material term of this Agreement and cure is not possible; or

3. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

c. Effect of Termination

1. Except as provided in paragraph (2) of this section, upon termination of this Agreement, for any reason, Business Associate shall return, or destroy, except as prohibited by the Florida public records law, all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information

that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

2. In the event that Business Associate's return or destruction of the Protected Health Information would be infeasible or illegal, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible or illegal. Upon Covered Entity's counsel's concurrence that return or destruction of the Protected Health Information would be infeasible or illegal, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible or illegal, for so long as Business Associate maintains such Protected Health Information. At all times Business Associate shall comply with the Florida public records law and exemptions therefrom, and applicable Florida records retention requirements.

#### 8. Miscellaneous

a. A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended or revised.

b. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.

c. The respective rights and obligations of Business Associate under Sections 7(c)(1) and 7(c)(2) of this Agreement shall survive the termination of this Agreement.

d. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the Privacy Rule.

e. Business Associate shall indemnify, hold harmless, and defend, at Business Associate's expense, counsel being subject to Covered Entity's approval, the Covered Entity, and the Covered Entity's officers, employees, and agents, ("indemnitees"), against any and all claims, actions, lawsuits, damages, losses, liabilities, judgments, fines, penalties, costs, and expenses, incurred by any of the indemnitees, and all liability to third parties, including the United States Government, arising out of or in connection with Business Associate's or any of Business Associate's officers', employees', agents', or subcontractors' breach of this Agreement or any act or omission by Business Associate or by any of Business Associate's officers, employees, agents, or subcontractors, including Business Associate's failure to perform any of its obligations under the Privacy and Security Rules. Business Associate shall pay any and all expenses, fines, judgments, and penalties, including court costs and attorney

fees, which may be imposed upon any of the indemnitees resulting from or arising out of Business Associate's or any of Business Associate's officers', employees', agents', or subcontractors' breach of this Agreement or other act or omission.

f. Venue for any lawsuit brought by either party against the other party or otherwise arising out of this Agreement, and for any other legal proceeding, shall be in Broward County, Florida, or, in the event of federal jurisdiction, in the United States District Court for the Southern District of Florida, with appellate jurisdiction in the respective corresponding appellate tribunals.

IN WITNESS WHEREOF, the City of Fort Lauderdale and Cavanaugh MacDonald Consulting, LLC, execute this Business Associate Agreement as follows:

CITY OF FORT LAUDERDALE

By: [Signature] 2/13/09  
Director Date  
Procurement Services Department

Approved as to form:

[Signature]  
Assistant City Attorney

WITNESSES:

[Signature]  
JOSE I. FERNANDEZ

(CORPORATE SEAL)

Cavanaugh MacDonald Consulting, LLC

By: [Signature] 1/28/09  
President Date

ATTEST:  
[Signature] 1/28/09  
Secretary Date

STATE OF Georgia :  
COUNTY OF Cherokee :

The foregoing Business Associate Agreement was acknowledged before me this 12  
day of February, 2009, by ED MACDONALD as  
President, and Tom Donovan, as Secretary, for  
CRANASH MACDONALD CONSULTING (Vendors Name)

(SEAL)

**My Commission Expires**  
**May 9, 2011**

Notary Public, State of Florida Georgia  
(Signature of Notary Public - State of Florida)  
Kathryn K Caspar  
(Print, Type, or Stamp Commissioned Name of  
Notary Public) KATHRYN K. CASPAR

Personally Known  OR Produced Identification

Type of Identification Produced

# CONTRACT COPY

**City of Fort Lauderdale, Florida**

**Bid Number: 185-10106**

**Bid Title:**

**Actuarial Services –  
Collective Bargaining, Pension  
Reform, Budget, and Finance**

**October 30, 2008**

<b>Name of Firm:</b>	<b>Cavanaugh Macdonald Consulting, LLC</b>
<b>Address:</b>	<b>3550 Busbee Parkway, Suite 250 Kennesaw, GA 30144</b>
<b>Website:</b>	<b><u><a href="http://www.CavMacConsulting.com">www.CavMacConsulting.com</a></u></b>
<b>Contact Person:</b>	<b>Jose I. Fernandez, FCA, ASA, EA, MAAA</b>
<b>Contact Person's Email Address:</b>	<b>JoseF@CavMacConsulting.com</b>
<b>Telephone number:</b>	<b>678-388-1700</b>
<b>Fax number:</b>	<b>678-388-1730</b>



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# Cavanaugh Macdonald

CONSULTING, LLC

*The experience and dedication you deserve*

October 30, 2008

City of Fort Lauderdale  
Department of Procurement Services  
100 N. Andrews Avenue, Suite 619  
Fort Lauderdale, Florida 33301

**Bid Title: Actuarial Services – Collective Bargaining, Pension Reform, Budget and Finance**

**Bid Number: 185-10106**

Ladies and Gentlemen:

Cavanaugh Macdonald Consulting, LLC (CMC) is pleased to offer our proposal to provide consulting services for Collective Bargaining, Pension Reform, Budget and Finance for the City of Fort Lauderdale. Of all the actuarial consulting firms serving the public sector community, we present the best combination of experience and expertise with a fresh approach to client service. In our proposal, we will attempt to demonstrate that combination.

As requested, we are enclosing six (6) copies of the proposal.

We would be pleased to address any questions you may have regarding our bid and proposal. We welcome this opportunity to present our capabilities to the City and look forward to a mutually beneficial relationship in the future.

Sincerely,

Jose I. Fernandez, FCA, ASA, EA, MAAA  
Consulting Actuary



Our fee for this project will be based on our current hourly rate schedule and the actual time spent by staff. Jose Fernandez (Consulting Actuary) will serve as the lead actuary for the project but other staff members will have significant roles. Our hourly rate structure is as follows:

Senior/Consulting Actuary	\$280 - \$360
Consultant/ Senior Consultant	\$224 - \$300
Actuarial Analyst	\$200 - \$256
Other	\$100

We anticipate an average hourly rate of \$300 for the staff involved in this project. On this basis, we have completed the hourly rate schedule below as presented in the RFP. Actual fees will vary depending on the actual time spent by staff and the level of staff involved.

Hourly Rate: \$300 average hourly rate of actuarial services consultants assigned to this account (on an as needed basis).

Not to exceed 1000 annual hours x Hourly rate (state above) = Not to exceed annual award amount of \$ 300,000.

The obligation of the City for payment to a Contractor is limited to the availability of funds appropriated in a current fiscal period, and continuation of the contract into a subsequent fiscal period is subject to appropriation of funds, unless otherwise authorized by law.

Any related expenses such as supplies, printing, binders, etc. shall be included in Contractor's hourly rate. Related expenses shall also include any postage, telephone toll charges, or other charges incurred in the normal course of business.

The City of Fort Lauderdale does not expect any travel to be required for this contract. If however, the City should request the Contractor to travel, any travel out of the tri-county (Dade, Broward and Palm Beach Counties, Florida) area shall be in accordance with current City per diem rates and travel policy (See Exhibit A attached). **No costs for travel, meals, or accommodations shall be charged to the City for travel within the tri-county area unless the Contractor's office assigned to the project is located outside this area.**

Contractor shall incur no travel expenses chargeable to the City without prior approval by an authorized City representative. Contractor shall provide, if required by the City, documentation of all actual travel or related costs.



**TAB 1: STATEMENT OF QUALIFICATIONS**

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**This section contains a statement of our firm's understanding of the critical issues and opportunities associated with the project and how we are uniquely qualified to assist the City in this effort.**

We understand the City of Fort Lauderdale, Florida (City) is seeking proposals from qualified firms to provide Actuarial Services, on an as needed basis, for various types of requests including but not limited to: Collective Bargaining, Pension Reform, Budget, and Finance Services, for the City's Finance Department, in accordance with the terms, conditions, and specifications contained in the Request for Proposals (RFP).

Cavanaugh Macdonald Consulting, LLC (CMC) was founded to offer state and local governments the experience and dedication they deserve in retaining actuarial consulting services for their employee pension and benefit plans. We will provide thoughtful and innovative solutions that will allow public sector benefit plans to thrive in the future. We will provide impartial advice and will maintain our independence from political and other outside influences. We will provide comprehensive services that are legally defensive, and meet all Federal, State and local laws, statutes and ordinances governing such services.

Our strengths include:

- Senior staff of CMC average 25 years experience serving public sector benefit plans – the expertise and knowledge of our staff regarding public sector actuarial consulting is as great if not greater than any of our competitors.
- Extensive experience with Florida retirement systems and health insurance plans. Currently, we are the actuary for the City of Hollywood Firefighters Pension Fund, the City of Hollywood Police Officers Retirement System, the City of Miami General Employees and Sanitation Employees Retirement Trust and the City of Pensacola Employees Retirement Plan. We also provide actuarial services for health plans in Florida, including: Osceola County Board of County Commissioners, School District of Osceola County, Hernando County School Board, City of Pensacola, and the Florida Bar Association.
- Strong ability to effectively communicate actuarial matters to staff, city management, commissions and Boards.
- A dedicated staff and an organizational structure that allows flexibility to meet client needs – including performing analysis under tight deadlines - and to provide a high level of client/staff interaction.

Below we present our understanding of the technical specifications and scope of



**TAB 1: STATEMENT OF QUALIFICATIONS**

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services as outlined in the RFP, and how we are uniquely qualified to assist the City in this effort.

1. **Upon request, use standard actuarial methods to provide an evaluation of actuarial services as requested of actuarial soundness for the following types of services (but not limited too):**
  - a. **Collective Bargaining**
  - b. **Pension Reform**
  - c. **Budget**
  - d. **Finance**

From 2007 to 2008 we were engaged in a similar project to the scope of work in the RFP for the City of Fort Lauderdale. Our services for the City of Fort Lauderdale included reviewing the City's retirement systems for general employees, fire and police. Throughout the project we were extensively involved in collective bargaining and pension reform issues. We prepared projections of costs for the current plans and under various alternatives including converting to the Florida Retirement System and defined contribution plans. We also performed historical reviews of the actuarial assumptions and methods, benefit changes and funded status.

Using methods and assumptions that comply with actuarial standards of practice, Florida pension rules and accounting standards we prepared 20-year projections for the City's pension plans to analyze the current and projected financial status and soundness of the plans. We performed analysis on alternatives such as, pension bond proposals, joining the Florida Retirement System and converting to defined contribution plans. Our work assisted the City in developing a defined contribution plan for new general employees and in realizing cost savings from previously unrecognized investment gains of approximately \$26 million under the fire and police retirement system.

In this project we demonstrated our responsiveness and success working with many different participants and stakeholders. Specifically we worked with the City manager's office, the finance and human resources departments, the City Commission, police and fire chiefs, outside counsel, pension board members and the actuary for the fire and police retirement system.

Our aim is to provide fair, high quality analysis and innovative ideas untainted by outside pressure in order for stakeholders to make informed decisions. We will not be advocates for positions but will endeavor to provide high quality information and communicate it in a clear manner to all parties. We recognize that this approach may lead us to present results that are unexpected, but we find that in the end clients



**TAB 1: STATEMENT OF QUALIFICATIONS**

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value this honest, unbiased style of consulting. We also find that this approach gives us more credibility with all parties. We believe this is especially important in bringing different stakeholders together when fundamental changes are contemplated.

This experience with the City has provided us with extensive knowledge of the City's employee benefit plans and compensation practices, and has given us the opportunity to demonstrate to the City the quality and timeliness of our services. As a result, we will be ready to assist the City immediately with your needs once the City awards the contract. Perhaps more importantly, we understand the City's objectives, goals and challenges with respect to collective bargaining, pension reform and financial constraints.

Given our prior experience assisting the City on collective bargaining issues, we expect the specific services required under the RFP will be difficult to predict beforehand and will depend on issues and needs as they arise. Nonetheless, below is a description of how our firm would propose to perform a pension reform study under the RFP's scope of services.

- Meet with City representatives at the start of the engagement to discuss the City's goals and objectives, and specific areas of focus for the City.
- Prepare a specific work plan, timetable and proposed fees after the initial meeting.
- Analyze various retirement plan design alternatives, including the current structure, the Florida Retirement System, hybrid (combined defined benefit and defined contribution plans, if legally viable), and defined contribution only plans. The analysis would reflect Florida laws, collective bargaining agreements, the impact of tax premium distributions and the implications from a human resource viewpoint regarding recruitment and retention of qualified employees, and coordination with other employee benefits, such as health benefits before and after retirement, life insurance and disability. The analysis will vary by employee group, i.e., general employees or public safety employees.
- Analyze the administration of the pension plans and consider the cost and benefits of alternative administration structures.
- Preparation of draft reports with our findings for input and discussion with City representatives.



**TAB 1: STATEMENT OF QUALIFICATIONS**

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- Meet on a preliminary basis with City representatives and City Council to update them on the status of the project and to adjust the direction of our investigation, if necessary.
- Meet with City Council to present our report. The report will be written with a diverse audience in mind.

Throughout the assignment it will be important for us to have access to administrators, actuaries, attorneys and asset consultants for the pension plans, as well, as the appropriate City representatives.

The above is our suggested general approach to a pension reform project. However, our experience with this type of assignment is that the initial meeting to kickoff the project and interim findings as the assignment progresses often lead to shifts in the project scope. Through our experience with these types of assignments we have developed the flexibility to adjust to changing focus and needs. We believe the key to maintaining the project on course and to adjust as necessary is continuous communication between the City and us, and for us to update the City frequently on progress and findings.

- 2. As required the Contractor must model program costs and be prepared to:**
  - a. Aggregate and sort data into meaningful analysis categories for the purposes of assessing total program costs and employer and employee contributions (if applicable).**
  - b. Provide actuarially based projections for plan alternatives under variable enrollment assumptions, contribution strategies, and benefit design changes (if applicable).**
  - c. Evaluate the cost impact of changes in plan design and suggest cost saving changes. Budgetary and Commission processes often dictate that this analysis be performed under tight deadlines. Contractor may have to respond to ad hoc requests for data or analysis.**

For all of our clients we analyze data and use the data to prepare actuarial calculations and projections to assess the cost of pension and health benefit programs. Clients often ask us to analyze the impact of proposed benefit plan changes, including enrollment assumptions, grandfather provisions, employer and employee cost sharing alternatives and changes in benefit design. With our experience we can estimate the potential significance – from financial and human resource viewpoints - of proposed changes before preparing calculations. We find this approach limits the number of what-if scenarios to be analyzed, resulting in time and cost savings to our clients.



**TAB 1: STATEMENT OF QUALIFICATIONS**

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We believe our experience communicating actuarial matters will be an asset working with the City and its Commissioners on pension and health benefits issues. While clients value our technical expertise, we also find our clients value our commentary and analysis of proposals.

Given our experience with the City and with other clients, we are confident we can provide the scope of services on a timely basis. We believe we have demonstrated our responsiveness and reliability in our prior assignment working with the City on collective bargaining and pension reform issues.

In general, CMC provides actuarial consulting to US State and Local governments. The data relating to these duties is sensitive and consists of employee benefits plan information and personal information relating to employee benefits plan members.

The network used to store and process this information has been built using the criteria of security and performance. The specific computer equipment and software used to meet these criteria all come from industry leaders and are "state of the art" computer equipment and software. The implementation of this computer equipment and software uses well established design and implementation standards.

We take great care to preserve the security, privacy and integrity of our clients' census and claims data. We advocate only using data transmittal methods that include encryption technology. The preferred method of transmittal would be for us to download the data directly from a City ftp server, if this service is available. If that is not possible, then either sending the data encrypted on a CD via FedEx or UPS (or another firm that will reliably track individual packages) is preferred. In this case, any passwords needed to decrypt the file(s) will need to be sent under separate cover.

All personal census and claims data is saved on a secure partition of our local area network.

CMC utilizes ProVal, a commercial actuarial valuation software program developed and maintained by Winklevoss Technologies, LLC, for its pension and health actuarial cost valuation and projection needs. This software is used by most of the major actuarial consulting firms in the U.S. and retirement systems such as Virginia Retirement System.

Microsoft data base products are used to organize client census data for importation into Proval.



**TAB 1: STATEMENT OF QUALIFICATIONS**

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A dedicated Dell server is used to house actuarial related client census data. Census data is only stored on this dedicated server. It is not stored on other devices in the network. Access to this data is controlled through the use of "server operating system security group policies." A user must have valid and specific network credentials to gain access to this data.

In addition to the end user workstations, there are specific and extremely high performance workstations dedicated to actuarial data runs. These workstations provide the ability to offload actuarial data runs from the end user's workstation (end user workstation performance remains high). These dedicated high performance workstations also provide the ability to effectively run case scenarios using real client data.

- 3. Analyze historical loss and industry data to calculate future benefit payments in order to evaluate the reasonableness of the stop-loss coverage pricing and make a recommendation on attachment point (if applicable).**

In order to evaluate the reasonableness of the stop-loss coverage pricing and make a recommendation on an attachment point (if applicable), we would collect claims and enrollment experience data, census data, renewal worksheets from the stop-loss carrier and plan design information. Using Fort Lauderdale's own claims experience in conjunction with industry surveys and projections, we would determine expected average claims amounts and review the risk charge assessed by the stop-loss carrier for reasonableness and appropriateness. As an example of our experience, for the Osceola County Board of County Commissioners, we conducted a study to verify that the current method of financing their health plan is the most cost effective and appropriate for their particular employee group and studied fully insured options versus self insured options. We reviewed their plan design for benchmarking with other like government entities and reviewed their current contract arrangement to determine if there was any potential for financial enhancements during the contract period. We also reviewed their claims data to insure accuracy of projected loss.

- 4. Contractor must follow HIPPA guidelines and be willing to sign a Business Associate Agreement, with the City, if required. (Exhibit 1 is a sample Business Associate Agreement).**

We agree to follow HIPPA guidelines and are willing to sign a Business Associate Agreement.



**TAB 1: STATEMENT OF QUALIFICATIONS**

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**5. Describe the forecasting methodology to be used to complete the tasks. Justify the chosen actuarial methods to be used in written narrative form.**

Our forecasting methodologies are consistent with Actuarial Standards of Practice. We can prepare open group (i.e. in and out flow of members) or closed group forecasts. Generally, we find that open group forecasts provide a more complete view of the long-term financial status of employee benefit plans. In projecting plan assets we can use a stochastic or deterministic approach. We have prepared open group 20-year forecasts for the City's fire and police retirement system when analyzing projected costs under the Florida Retirement System.

The actuarial assumptions form the basis of any actuarial cost study or forecast. Since it is not possible to know in advance how each member's career will evolve in terms of salary growth, future service and cause of termination, the actuary must develop assumptions in an attempt to predict future patterns. These assumptions enable the actuary to value the amount of benefits earned and to reasonably predict when these benefits will be paid. In developing the assumptions, the actuary examines the past experience and considers future expectations to make the best estimate of the anticipated experience under the plan. We will also work closely with City representatives in developing actuarial assumptions since these individuals have valuable knowledge of the City's workforce and can provide insight for predicting the future behavior of employees and their reaction to benefit changes.

For post-employment health plans, medical inflation is the most significant assumption. Medical inflation is applied annually to the plan's assumed per member claims cost. This inflation assumption considers such things as price inflation, leverage (the effect of fixed co-payments and deductibles), future utilization and cost shifting, as well as legislative and technological changes. Recent experience indicates very high medical inflation rates outstripping both salary and general inflation rates, but these are generally expected to level off in the long-term future. Therefore, inflation assumptions used are a combination of the actual inflation experienced in the short-term and the long-term inflation expectations. Our methodology includes the use of published annual medical inflation surveys in conjunction with actual plan experience. In regard to actual experience, the size of the group (credibility) as well as the volatility of the experience is considered when determining the appropriate medical inflation assumptions.

As mentioned earlier, the core actuarial application is Proval. Microsoft data base products are used to organize client census data for importation into Proval. Proval



**TAB 1: STATEMENT OF QUALIFICATIONS**

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will be the actuarial software used to prepare actuarial cost calculations and projections.

- 6. Contractor may be required from time to time, to meet with City officials to discuss actuarial service needs. Any travel would have to be approved by the City of Fort Lauderdale and would be per the City's travel policy.**

We agree that travel expenses related to the services under this project would have to be approved by the City and would be per the City's travel policy.



**TAB 2: ACTUARY QUALIFICATIONS & EXPERIENCE**

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**Proposer must be an actuary. Documentation should be submitted to support experience with various types of actuarial services including any experience in collective bargaining and pension reform. The Actuarial firm's personnel assigned to this project must have first hand experience in preparing Actuarial Certification and State exhibits required by the Florida Statute 112.08 rate sufficiency certification and the evaluation and assessment of the reserving practices of governmental entities of similar size.**

The lead actuary for this assignment would be Jose Fernandez. Jose is an Associate of the Society of Actuaries, a Fellow of the Conference of Actuaries, a Member of the American Academy of Actuaries and a qualified (enrolled) actuary under ERISA. Jose has 26 years of experience with public retirement systems, including over 15 years as the supervising actuary for large retirement systems in Florida and other states.

The lead health actuary would be Alisa Bennett. Alisa is an Associate of the Society of Actuaries, a Fellow of the Conference of Actuaries, a Member of the American Academy of Actuaries and a qualified (enrolled) actuary under ERISA. Alisa has 18 years of experience with public retirement systems, including experience performing GASB OPEB valuations for Osceola and Hernando Counties, the Florida Bar Association and the City of Pensacola in Florida.

In Tab 4 we provide a summary of the experience and qualifications for the proposed project team. The team includes three actuaries.

Our firm and the project team specifically have had extensive experience in collective bargaining and pension reform. Below we discuss three sample cases.

As discussed above, we provided extensive support to the City of Fort Lauderdale in reviewing the general employees' pension plan and the fire and police retirement system in connection with collective bargaining. We prepared various cost studies and projections to analyze alternatives such as joining the Florida Retirement System and conversion to a defined contribution plan. We also prepared cost studies of union proposals, including cost-of-living allowances. We analyzed the impact of freezing the fire and police retirement system and our review of the actuarial value of assets method employed by the fire and police plan lead to substantial cost savings for the City over the next few years. Throughout this process, we believe we demonstrated the quality of our services and our timely responsiveness to the needs of the City.

For a state retirement system we worked closely with the retirement system staff and the Governor's office in a pension reform project. The project included long-term projections of the benefit and cost implications of numerous alternatives. In our analysis and consulting we were not advocates for any one position but strove to



**TAB 2: ACTUARY QUALIFICATIONS & EXPERIENCE**

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present a balanced and objective approach. We believe this contributed to the development of a combined reduced defined benefit plan and new defined contribution plan which met the state's objective to contain costs while providing competitive employee benefits.

A county in the State of Georgia was facing significant challenges in controlling pension and retiree health care costs. The workforce including, general employees and public safety employees, was very vocal in its opposition to benefit changes. We worked with the pension board, human resources and finance departments, outside consultants and the county managers and commissioners to implement pension and retiree health benefit changes, and a schedule of contribution sharing with employees to control costs. We are now in the process of assisting the County in developing an employee communications campaign to improve the employees' appreciation of the value and cost of the benefits currently provided by the County.

As consultants dedicated to the public sector, we have the expertise to know what will, and what won't, work in a governmental environment. We are well versed with the ins and outs of the often delicate nature of providing and funding benefits in a public environment, especially when retirees are the focus.

Working in the public sector as extensively (and exclusively) as we do enables us to have a fluent understanding of how changes in retiree healthcare benefits can impact the GASB 43 liability and contribution. We also know that making changes simply for the sake of reducing the GASB 43 liability is not necessarily the most prudent approach in the long-term.

The GASB OPEB liabilities are not viewed in a vacuum, however. The pressures, objectives and motivations of each stakeholder are different and often unique to the public sector. CMC consultants are comfortable, and thrive, in such an environment. We feel it important the City know CMC consultants have an extensive background in consulting with retirement systems and health plans in Alabama, Florida, Georgia, Tennessee, Kentucky, and North Carolina. Some of the services provided have included projects in the following areas:

- Plan Design and Consumerism Strategies
- Establishment of Funding Rates and Premium Equivalencies
- Total Budget and Funding Projections
- Employee and Retiree Contribution Strategies
- Vendor Search, Procurement and Management
- Pharmacy Benefits Design, Pricing, and Strategy



**TAB 2: ACTUARY QUALIFICATIONS & EXPERIENCE**

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- Evaluation and Selection of Effective Care, Case and Disease Management Programs
- Preventive Care and Wellness Initiatives
- Medicare Part D Strategy, Attestations of Actuarial Equivalence and RDS Application Assistance
- Voluntary Benefits
- Cafeteria and Section 125 Plans
- Network Analysis
- Migration and Risk Analysis
- Absence Management
- LTD, STD and LTC Design, Financing and Strategy
- Claim and Eligibility Audits and Contract Compliance
- Legislative Testimony
- Analysis of Proposed Legislation

The following is a description of two recent healthcare projects:

**Medical and Prescription Drug claim processing audits** – CMC consultants have experience in the evaluation and audit of claims processing accuracy, performance guarantees and compliance with contract parameters. In one recent audit we found that, while the administrator was processing most all (medical) claims correctly, we were able to highlight some Skilled Nursing claims with payments beyond the Medicare day limits. In another instance, it was discovered that the Pharmacy Benefit Manger was not delivering the discounts stated in the contract, leading to a state health plan recovering in excess of \$10 million.

**Consumerism based strategies** – In 2006, one of our consultants played a key role in an exhaustive feasibility study for a state health plan covering active employees and retirees. The study covered the design and pricing of several consumerism-based strategies, which included options with both Health Reimbursement Accounts and Health Savings Accounts. The study also looked at several strategies, varying from complete replacement to those where the consumer plans would be offered alongside the current options on a “slice” basis. Strategies also varied by timelines, from immediate implementation, to some being phased-in over five years.

For each of these strategies, an evaluation was conducted to measure the ability of the current administrators to support the program, to measure employee/retiree migration to the new options (and the associated selection risk as well as likely winners and losers), to determine the necessary employee/retiree communication program, to determine any anticipated vendor searches and to measure the level of legislative, executive and employee/retiree buy-in.



**TAB 2: ACTUARY QUALIFICATIONS & EXPERIENCE**

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In general, we have extensive knowledge of local Florida retirement systems requirements and environment, including Florida Statute Chapters 112, 175 and 185, tax premium distributions, police and fire minimum benefits, conversion to Florida Retirement System and participating in collective bargaining with City management, unions and City Commissioners.

We have also been involved with the preparation of the Actuarial Certification and State exhibits required by Florida Statute Chapter 112.08. Alisa Bennett, our senior health actuary assigned to the City and a member of the Society of Actuaries and the American Academy of Actuaries, as required by the Statute, would prepare a statement as to the actuarial soundness of the plan in compliance with the Statute. The report shall consist of, but not be limited to:

1. The adequacy of contribution rates in meeting the level of benefits provided and the changes, if any, needed in the contribution rates to achieve or preserve a level of funding deemed adequate to enable payment of the benefit amounts provided under the plan and a valuation of present assets, based on statement value, and prospective assets and liabilities of the plan and the extent of any unfunded accrued liabilities.
2. A plan to amortize any unfunded liabilities and a description of actions taken to reduce unfunded liabilities.
3. A description and explanation of actuarial assumptions.
4. A schedule illustrating the amortization of any unfunded liabilities.
5. A comparative review illustrating the level of funds available to the plan from rates, investment income, and other sources realized over the period covered by the report with the assumptions used.
6. A statement by the actuary that the report is complete and accurate and that in the actuary's opinion the techniques and assumptions used are reasonable and meet the requirements and intent of this subsection.
7. Other factors or statements as required by the office in order to determine the actuarial soundness of the plan.



**TAB 3: EXPERIENCE**

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**State number of years experience the proposer has had in providing similar services. If services provided differs from the one presented in your proposal, please delineate such differences. State other relevant experience with non-governmental clients who may demonstrate the scope of services and resources available from the actuarial firm.**

CMC was founded to offer state and local governments the experience and dedication they deserve in retaining actuarial consulting services for their employee pension and benefit plans. We fill a need that had developed in the marketplace for increased competition among actuarial consulting firms that specialize in public sector work.

Our team has been providing pension and OPEB consulting for many years. The tables in Tab 5 provide a list of our current retainer pension and healthcare consulting and OPEB clients. Some of the historical services listed were provided by our team while employed at our previous employer. While GASB 43 and 45 requirements are only a few years old, our staff has been performing GASB OPEB valuations for seven years.

Our senior staff average over 25 years experience in the public sector providing similar services to those requested in the RFP. In particular, Tom Cavanaugh has been serving public sector pension plans for 31 years, Jose Fernandez 27 years, Cathy Turcot 27 years and Ed Macdonald for 23 years.

Jose Fernandez has had extensive experience with non-governmental clients providing collective bargaining and pension reform services. As the lead consultant for a multi-national aluminum company, Jose has had experience with union negotiations on pension and health benefits issues. In this role Jose also worked on numerous pension plan re-design projects analyzing defined contribution, hybrid, cash balance and pension equity plan alternatives.

We are able to perform all of the services specifically described in the Scope of Services. However, we have worked with the following subcontractors to provide our clients access to additional expertise:

*Ice Miller LLP* provides legal opinions and consulting services as the need arises. Ice Miller is a leading employee benefit law firm with many public sector clients. In particular, Mary Beth Braitman and Terry Mumford have many years experience working with public entities and are the contact people for our relationship.

*Pharmaceutical Solutions Group* provides clinical and analytical consulting services regarding the design, financing and administration of pharmacy benefit plans, including formulary analysis, PBM selection and management, and pharmacy claim audits. They

## PROPOSAL PAGES - PART II TECHNICAL PROPOSAL



### TAB 3: EXPERIENCE

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are a leading pharmacy consulting firm that is staffed by licensed pharmacists and experienced analytical staff.

*Benalytics* provides expertise in vendor performance management and evaluation, including medical claims audits and evaluation of contract compliance.

*The Wakely Consulting Group* provides additional health actuarial expertise, particularly in long-term care and the analysis of provider payment structures and carrier performance. They are recognized healthcare industry experts that work with carriers, provider groups and consultants.

All subcontractors will be involved in the City of Fort Lauderdale account only as needed/requested.

**PROPOSAL PAGES - PART II TECHNICAL PROPOSAL**



**TAB 4: PROJECT TEAM**

List those persons who will have a primary responsibility working with the City, if you are awarded the contract. List name, title or position, and project duties. A resume or summary of experience and qualifications must accompany your proposal.

The team that will perform the actuarial services, (shown in the table below), consists of ten consultants who have the significant public plan experience and expertise required to provide quality and timely consulting services to the City. Most of our team members are in our Kennesaw office located at 3550 Busbee Parkway, Suite 250, Kennesaw, GA 30144, although two of the members are in Aventura, Florida.

Team Member	Title/Role	Direct Dial/Email	Year started in Public Sector
Jose Fernandez ASA, EA, FCA, MAAA	Consulting Actuary/ Lead Actuary	678-388-1718 <a href="mailto:JoseF@CavMacConsulting.com">JoseF@CavMacConsulting.com</a>	1980
Ed Macdonald ASA, FCA, MAAA	President/ Review Actuary	678.388.1701 <a href="mailto:EdM@CavMacConsulting.com">EdM@CavMacConsulting.com</a>	1986
Alisa Bennett ASA, EA, FCA, MAAA	Senior Health Actuary/ Support Actuary	678.388.1703 <a href="mailto:AlisaB@CavMacConsulting.com">AlisaB@CavMacConsulting.com</a>	1990
Todd Green	Senior Consultant/ Production	678.388.1705 <a href="mailto:ToddG@CavMacConsulting.com">ToddG@CavMacConsulting.com</a>	1997
Lacrecia Maddox	Consultant/Production	678.388.1714 <a href="mailto:LacreciaM@CavMacConsulting.com">LacreciaM@CavMacConsulting.com</a>	1995
Terence Bhawanie	Consultant/Production	678.388.1721 <a href="mailto:TerenceB@CavMacConsulting.com">TerenceB@CavMacConsulting.com</a>	2000
Lorraine Bhawanie	Consultant/Production	678.388.1720 <a href="mailto:LorraineB@CavMacConsulting.com">LorraineB@CavMacConsulting.com</a>	2001
Joseph Walls	Actuarial Analyst	678.388.1704 <a href="mailto:JosephW@CavMacConsulting.com">JosephW@CavMacConsulting.com</a>	1998
Kristen Hahn	Actuarial Analyst	678-388-1711 <a href="mailto:KristenH@CavMacConsulting.com">KristenH@CavMacConsulting.com</a>	2007
Dustin Borg	Actuarial Analyst	678.388.1722 <a href="mailto:DustinB@CavMacConsulting.com">DustinB@CavMacConsulting.com</a>	2008

The primary actuary who will serve the City will be Jose Fernandez. Jose's contact information is as follows:

Jose I. Fernandez, ASA, EA, FCA, MAAA  
 Consulting Actuary  
 Cavanaugh Macdonald Consulting, LLC  
 3550 Busbee Parkway, Suite 250  
 Kennesaw, GA 30144  
 Office: 678.388.1718  
 Fax: 678.388.1730  
 Email: [JoseF@CavMacConsulting.com](mailto:JoseF@CavMacConsulting.com)



**TAB 4: PROJECT TEAM**

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Below is a description of how the entire team dedicated to the City account would function. Biographies for all the team members are included in Appendix A.

**Jose Fernandez, Consulting Actuary, ASA, FCA, EA, MAAA and Ed Macdonald, President and Review Actuary, ASA, FCA, MAAA** will serve as the primary and secondary supervising actuaries, respectively, for the work for the City. Jose will be the main contact for the City, presenter of material at staff and other meetings and peer reviewer of all work. Ed will be the backup for Jose on this assignment. Their expertise, insights and knowledge of public sector pension related issues, and specifically with the scope of work in the RFP, will enhance our work product and ensure that we deliver the highest quality in meeting the City's needs. Jose was the lead actuary in our previous assignment for the City of Fort Lauderdale. Experience gained from that assignment will be beneficial to the City in the scope of services outlined in the RFP.

**Alisa Bennett, Senior Health Consultant**, will be the lead actuary for health related work for the City. Alisa provides healthcare consulting/OPEB services to several clients in Florida.

**Todd Green, Senior Consultant**, will be an alternative contact for the City and support actuary for all work. Todd was part of the team in our prior assignment for the City.

**Lacrecia Maddox, Terence Bhawanie, and Lorraine Bhawanie, Consultants, and Joseph Walls, Kristen Hahn and Dustin Borg, Actuarial Analysts**, will be responsible for production of the pension and health work. These consultants have experience working with Florida retirement systems and healthcare/OPEB benefits.



## PROPOSAL PAGES - PART II TECHNICAL PROPOSAL

### TAB 5: REFERENCES

List clients for whom you have provided similar services in the last three years. Provide agency name, address, telephone number, contact person, email address and date service was provided. If services provided differs from the one presented in your proposal, please delineate such differences.

Below we present a list of our clients for which we provide similar services to those requested in the RFP. Instead of listing just a few clients who will give us good references, we listed all our clients for you to choose from. We will provide email addresses upon request.

#### Pension Retainer Clients

System	Work Performed	Total # of Participants/ Total Assets (\$)	Contact Information
1. Retirement Systems of Alabama	1981 – Present Annual actuarial valuations and experience studies	300,000  \$27.5 Billion	Dr. David Bronner Chief Executive Officer Retirement Systems of Alabama 135 South Union Street Montgomery, AL 36130-2150 334.242.5718
2. Alabama Peace Officers Annuity & Benefit Fund	1996 – Present Annual actuarial valuations	5,200  \$20.9 Million	Mr. John E. Hixon, Jr. Executive Director Alabama Peace Officers' Annuity & Benefit Fund 514 South McDonough Street Montgomery, AL 36102-2186 334.242.4079
3. Bibb County Employees Retirement System	2001 – Present Annual actuarial valuations	1,000  \$87.1 Million	Ms. Deborah R. Martin Finance Director Bibb County Finance Office 601 Mulberry Street Room 409 Courthouse Macon, GA 31201 478.621.6310
4. Charlotte Firefighters Retirement System	2000 – Present Annual actuarial valuations and experience studies	1,300  \$291.2 Million	Ms. Barbara J. Avard Administrator Charlotte Firefighters' Retirement System Charlotte National Building 428 East Fourth Street, Suite 205 Charlotte, NC 28202 704.336.4431



**PROPOSAL PAGES - PART II TECHNICAL PROPOSAL**

**TAB 5: REFERENCES**

<b>System</b>	<b>Work Performed</b>	<b>Total # of Participants/ Total Assets (\$)</b>	<b>Contact Information</b>
5. Cobb County Government Employees' Pension Plan	2008 – Present Annual actuarial valuations and benefit statements	6,000  \$330.2 Million	Ms. Tracy Minjauw Human Resources Manager Cobb County 100 Cherokee Street; Suite 200 Marietta, GA 30090-9679 770.528.2542
6. Colorado Public Employees' Retirement Association	2006 – Present Review of Pension Funding Projection	360,000  \$31 Billion	Mr. Meredith Williams Executive Director Public Employees' Retirement Association of Colorado 1300 Logan Street, 5th Floor Denver, CO 80203 303.863.3883
7. Retirement Systems of Georgia	1981 – Present Annual actuarial valuations and experience studies	161,000  \$13.8 Billion	Mr. Michael Nehf Executive Director Employees' Retirement System of Georgia Two Northside 75, Suite 300 Atlanta, GA 30318-7778 404.603.5605
8. Georgia Sheriffs' Retirement Fund	2005 – Present Biennial actuarial valuations and experience investigations	300  \$57.7 Million	Ms. Tracy L. Marchman Secretary – Treasurer Sheriffs' Retirement Fund of Georgia P.O. Box 1000 Stockbridge, GA 30281 770.914.1076
9. Georgia Teachers Retirement System	1981 – Present Annual actuarial valuations and experience studies	263,000  \$46.8 Billion	Mr. Jeffrey Ezell Executive Director Teachers Retirement System of Georgia Two Northside 75, Suite 200 Atlanta, GA 30318-7901 404.352.6520
10. Gwinnett County Board of Education's Retirement System	2005 – Present Annual actuarial valuations and experience studies	19,800  \$687.3 Million	Mr. Tom Daymude Director Gwinnett County Board of Education's Retirement System P.O. Box 343 Lawrenceville, GA 30046 678.377.7369



**PROPOSAL PAGES - PART II TECHNICAL PROPOSAL**

**TAB 5: REFERENCES**

<b>System</b>	<b>Work Performed</b>	<b>Total # of Participants/ Total Assets (\$)</b>	<b>Contact Information</b>
11. Gwinnett County Retirement Systems	2006 – Present Annual actuarial valuations	5,000  \$806 Million	Mr. Bill Rodenbeck Pension/Finance Manager Gwinnett County Department of Financial Services Risk Management Division 75 Langley Drive Lawrenceville, GA 30045 770.822.7882
12. Jefferson County Employees Retirement System	1998 – Present Annual actuarial valuations	5,100  \$819.8 Million	Ms. Cathy Crumley Pension Coordinator The General Retirement System for Employees of Jefferson County Suite 430 Courthouse 716 Richard Arrington, Jr., Blvd. Birmingham, AL 35203 205.325.5354
13. Kentucky Retirement Systems i. Kentucky Employees ii. County Employees iii. State Police	2006 – Present Annual actuarial valuations	114,000 177,000 2,000 \$14.3 Billion	Mr. Bill Thielen Chief Operations Officer Kentucky Retirement Systems 1260 Louisville Road Frankfort, KY 40601 502.696.8444
14. Kentucky Teachers' Retirement System	1981 – Present Annual actuarial valuations, experience and asset/liability studies	108,000  \$14.6 Billion	Mr. Gary L. Harbin Executive Secretary Kentucky Teachers' Retirement System 479 Versailles Road Frankfort, KY 40601-3800 502.848.8501
15. Miami General Employees' and Sanitation Employees' Retirement System	2008 – Present Annual actuarial valuation	3,600  \$694 Million	Ms. Sandra Elenberg Pension Administrator City of Miami General Employees' and Sanitation Employees' Retirement Trust 2901 Bridgeport Avenue Coconut Grove, FL 33133-3607 305.441.2300



**PROPOSAL PAGES - PART II TECHNICAL PROPOSAL**

**TAB 5: REFERENCES**

<b>System</b>	<b>Work Performed</b>	<b>Total # of Participants/ Total Assets (\$)</b>	<b>Contact Information</b>
16. Mississippi Retirement Systems	1992 – Present Annual actuarial valuations and experience studies	223,000  \$12.7 Billion	Ms. Pat Robertson Executive Director Mississippi PERS PERS Building 429 Mississippi Street Jackson, MS 39201-1005 601.359.2241
17. Montgomery County Employees' Retirement System	1981 – Present Annual actuarial valuations and experience studies	800  \$75.4 Million	Mr. John Mitchell Deputy Administrator Montgomery County P.O. Box 1667 Montgomery, AL 36102 334.832.1210
18. Ohio School Employees Retirement System	2008 – Present Annual actuarial valuations and experience studies	197,000  \$11.7 Billion	Ms. Virginia Brizendine Director of Finance School Employees Retirement System 300 East Broad Street, Suite 100 Columbus, OH 43215 614.222.5860
19. Pensacola General Employees' Retirement Fund	1990 - Present Annual Actuarial Valuations and Experience Studies	1,100  \$104.4 Million	Mr. Richard Barker, Jr. Pension Administrator Pensacola General Employees' Retirement Fund P.O. Box 12910 475 East Strong Street Pensacola, FL 32521-0061 850.435.1823
20. South Carolina National Guard Retirement System	2000 – Present Annual actuarial valuations	9,100  \$12.1 Million	Ms. Peggy Boykin Retirement System of South Carolina 202 Arbor Lake Drive Columbia, SC 29223 803.737.6934
21. Virginia Retirement System	2007 – Present Annual Actuarial Valuations, experience and asset/liability studies	450,000  \$56.9 Billion	Mr. Craig M. Burns Director of Policy, Planning and Compliance Virginia Retirement system 1200 E. Main Street Richmond, VA 23219 804-771-7332



## PROPOSAL PAGES - PART II TECHNICAL PROPOSAL

### TAB 5: REFERENCES

#### Healthcare Consulting & OPEB Clients

System	Work Performed	Total # of Participants	Contact Information
1. School District of Osceola County, FL	2006 – Present Healthcare Consulting and GASB OPEB	6,000	Mr. Ken F. DeBord, Coordinator Risk & Benefits Management School District of Osceola County 817 Bill Beck Boulevard, Building 2000 Kissimmee, FL 34744 407-870-4905
2. Hernando County School Board	2008 – Present GASB OPEB	2,200	Ms. Deborah Bruggink Hernando County School Board 919 North Broad Street Brooksville, FL 34601 352.797.7004
3. City of Pensacola, Florida	2006 – Present Post Retirement Medical Valuations	1,600	Mr. Richard Barker, Jr. Finance Director City of Pensacola P.O. Box 12910 475 East Strong Street Pensacola, FL 32521-0061 850.435.1823
4. The Florida Bar	2006 – Present GASB OPEB	1,000	Mr. Allen Martin The Florida Bar 651 E. Jefferson Street Tallahassee, FL 32399 (850) 561-5617
5. Alabama Public Education Employee Health Insurance Plan (PEEHIP)	2003 – Present Post Retirement Medical Valuations	186,000	Mr. Norman Turnipseed Retirement Systems of Alabama P.O. Box 302150 Montgomery, AL 36130-2150 334.241.0611
6. Alabama State Employee Health Insurance Plan (SEHIP)	2006 – Present Post Retirement Medical Valuations	113,000	Mr. Norman Turnipseed Retirement Systems of Alabama P.O. Box 302150 Montgomery, AL 36130-2150 334.241.0611
7. Colorado Public Employees Retirement Association	2007 – Present Post Retirement Medical Valuations	360,000	Mr. Meredith Williams Executive Director Public Employees' Retirement Association of Colorado 1300 Logan Street, 5th Floor Denver, CO 80203 303.863.3883
8. Georgia Department of Community Health (State Health Benefit Plan)	2003 – Present Healthcare Consulting and GASB OPEB	414,000	Ms. Carie Summers Chief Financial Officer Georgia Department of Community Health 2 Peachtree Street, NW 34 <sup>th</sup> Floor Atlanta, GA 30303-3159 404.657.4859



## PROPOSAL PAGES - PART II TECHNICAL PROPOSAL

**TAB 5: REFERENCES**

System	Work Performed	Total # of Participants	Contact Information
9. Kentucky Retirement Systems	2006 – Present Healthcare Consulting and GASB OPEB	200,000	Mr. William Thielen Chief Operations Officer Kentucky Retirement Systems 1260 Louisville Road Frankfort, KY 40601 502.696.8455
10. Kentucky Teachers	2001 – Present Post Retirement Medical Valuations	108,000	Mr. Gary L. Harbin Executive Secretary Kentucky Teachers' Retirement System 479 Versailles Road Frankfort, KY 40601-3800 502.848.8501
11. Mississippi State and School Employees' Life and Health Insurance Plan	2007 – Present GASB OPEB	140,000	Ms. Teresa Planch State Insurance Administrator Office of Insurance Department of Finance and Administration PO Box 24208 Jackson, MS 39225 601-359.3411
12. North Carolina Local Government Employees	2006 – Present Post Retirement Medical Valuations	180,000	Mr. Paul A Meyers Assistant General Counsel North Carolina Association of County Commissioners 215 North Dawson Street Raleigh, NC 27602-1488 919.715.2893
13. City of Pensacola	2006 – Present Post Retirement Medical Valuations	1,500	Mr. Richard Barker, Jr. Finance Director City of Pensacola P.O. Box 12910 Pensacola, FL 32521-0061 850.435.1823
14. Virginia Retirement System	2007 – Present GASB OPEB	450,000	Mr. Craig M. Burns Director of Policy, Planning and Compliance Virginia Retirement system 1200 E. Main Street Richmond, VA 23219 804-771-7332

Some historical services have been provided by our team while employed at a previous employer.

**PROPOSAL PAGES - PART II TECHNICAL PROPOSAL**



**TAB 6: PREVIOUS CONTRACTS WITH THE CITY OF FORT LAUDERDALE**

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**List those City of Fort Lauderdale agencies with which the proposer has had contracts or agreements during the past three (3) years.**

In 2007 and 2008 we had an agreement with the City's Human Resources department to provide actuarial services.

**PROPOSAL PAGES - PART II TECHNICAL PROPOSAL**



**TAB 7: FLORIDA BUSINESS REGISTRATION**

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**As there may be a possibility that your firm may need to visit the City sometime during the year for meetings with City staff, please attach a copy of your Florida Department of State, Division of Corporations, active status, which shows that you are registered to do business in the State of Florida.**

A copy of our registration to do business in the State of Florida is provided in Appendix B.



**PART III NON COLLUSION STATEMENT**

By signing this offer, the vendor/contractor certifies that this offer is made independently and *free* from collusion. Vendor shall disclose below any City of Fort Lauderdale, FL officer or employee, or any relative of any such officer or employee who is an officer or director of, or has a material interest in, the vendor's business, who is in a position to influence this procurement.

Any City of Fort Lauderdale, FL officer or employee who has any input into the writing of specifications or requirements, solicitation of offers, decision to award, evaluation of offers, or any other activity pertinent to this procurement is presumed, for purposes hereof, to be in a position to influence this procurement.

For purposes hereof, a person has a material interest if they directly or indirectly own more than 5 percent of the total assets or capital stock of any business entity, or if they otherwise stand to personally gain if the contract is awarded to this vendor.

In accordance with City of Fort Lauderdale, FL Policy and Standards Manual, 6.10.8.3,

3.3. City employees may not contract with the City through any corporation or business entity in which they or their immediate family members hold a controlling financial interest (e.g. ownership of five (5) percent or more).

3.4. Immediate family members (spouse, parents and children) are also prohibited from contracting with the City subject to the same general rules.

**Failure of a vendor to disclose any relationship described herein shall be reason for debarment in accordance with the provisions of the City Procurement Code.**

<u>NAME</u>	<u>RELATIONSHIPS</u>
_____	_____
_____	_____
_____	_____

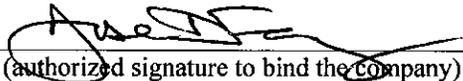
**In the event the vendor does not indicate any names, the City shall interpret this to mean that the vendor has indicated that no such relationships exist.**

**PART IV PROPOSAL SIGNATURE PAGE**



**How to submit bids/proposals:** It is preferred that bids/proposals be submitted in accordance with requirements stated in the RFP. If mailing a hard copy, it will be the sole responsibility of the Bidder to ensure that the bid reaches the City of Fort Lauderdale, City Hall, Procurement Department, Suite 619, 100 N. Andrews Avenue, Fort Lauderdale, FL 33301, prior to the bid opening date and time listed. Bids/proposals submitted by fax or email will NOT be accepted.

The below signed hereby agrees to furnish the following article(s) or services at the price(s) and terms stated subject to all instructions, conditions, specifications addenda, legal advertisement, and conditions contained in the bid. I have read all attachments including the specifications and fully understand what is required. By submitting this signed proposal I will accept a contract if approved by the CITY and such acceptance covers all terms, conditions, and specifications of this bid/proposal.

Submitted by:  10/30/2008  
(authorized signature to bind the company) (date)

Name (printed) Jose I. Fernandez Title: Consulting Actuary

Company Name: (Legal Registration) Cavanaugh Macdonald Consulting, LLC

**CONTRACTOR, IF FOREIGN CORPORATION, MAY BE REQUIRED TO OBTAIN A CERTIFICATE OF AUTHORITY FROM THE DEPARTMENT OF STATE, IN ACCORDANCE WITH FLORIDA STATUTE §607.1501 (visit <http://www.dos.state.fl.us/doc/>).**

Address: 3550 Busbee Parkway, Suite 250

City Kennesaw State: Georgia Zip 30144

Telephone No. 678-388-1700 FAX No. 678-388-1730

E-MAIL: JoseF@CavMacConsulting.com

Delivery: Calendar days after receipt of Purchase Order (section 1.02 of General Conditions): TBD

Payment Terms (section 1.03): \_\_\_\_\_ Total Bid Discount (section 1.04): Not Applicable

Does your firm qualify for MBE or WBE status (section 1.08): MBE \_\_\_\_\_ WBE \_\_\_\_\_

**ADDENDUM ACKNOWLEDGEMENT** - Proposer acknowledges that the following addenda have been received and are included in the proposal:

Addendum No. Date Issued

**VARIANCES:** State any variations to specifications, terms and conditions in the space provided below or reference in the space provided below all variances contained on other pages of bid, attachments or bid pages. No variations or exceptions by the Proposer will be deemed to be part of the bid submitted unless such variation or exception is listed and contained within the bid documents and referenced in the space provided below. If no statement is contained in the below space, it is hereby implied that your bid/proposal complies with the full scope of this solicitation. **HAVE YOU STATED ANY VARIANCES OR EXCEPTIONS BELOW? BIDDER MUST CLICK THE EXCEPTION LINK IF ANY VARIATION OR EXCEPTION IS TAKEN TO THE SPECIFICATIONS, TERMS AND CONDITIONS.**

Variations:

\_\_\_\_\_



## **APPENDIX A - BIOGRAPHIES**

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### **Jose Fernandez, ASA, FCA, EA, MAAA**

➤ **Description of their position;**

Consulting Actuary and Lead Actuary

➤ **Current responsibilities;**

Jose is responsible for client service and serves as Actuary for several of our clients including Virginia Retirement System, Cobb County (GA), City of Miami and City of Hollywood (FL).

➤ **Date of hire;**

July 2, 2007, 26 years of public sector experience.

➤ **Areas of expertise;**

Jose has a broad range of experience in actuarial audits, proposed legislation analysis, experience studies, retiree medical valuations, and the design, administration and funding of public retirement plans and health plans.

➤ **Relevant experience;**

Jose has 27 years of public sector consulting experience. Jose is the actuary for public systems that require similar service including Virginia Retirement Systems, Ohio School Employees' Retirement System, Cobb County (GA) and several Florida benefit plans.

➤ **Education;**

- B.S. degree in Mathematics from St. Peter's College

➤ **Professional designations and memberships; and**

- Associate of the Society of Actuaries
- Enrolled Actuary under ERISA
- Member of the American Academy of Actuaries
- Fellow of the Conference of Consulting Actuaries



## **APPENDIX A - BIOGRAPHIES**

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**Jose Fernandez, ASA, FCA, EA, MAAA (continued)**

➤ **Relevant publications, studies or presentations.**

Jose has been a presenter at several public pension conferences, including:

- Florida Public Pension Trustees Association Conference
- Texas Firefighters Local Retirement Association Conference
- Southeast Employees Pension Conference



## **APPENDIX A - BIOGRAPHIES**

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### **Edward A. Macdonald, ASA, FCA, MAAA**

➤ **Description of their position;**

President and Review Actuary

➤ **Current responsibilities;**

Ed is responsible for firm management (10%), client service (90%) and serves as a Principal Consultant for several of our clients including Alabama, Kentucky Teachers and Georgia.

➤ **Date of hire;**

June 7, 2005, 23 years of public sector experience.

➤ **Areas of expertise;**

Ed has a broad range of experience in proposed legislation analysis and testimony, actuarial audits, experience studies, retiree medical valuations, and the design, administration and funding of public retirement plans and health plans.

➤ **Relevant experience;**

Ed has 23 years of public sector consulting experience. Ed is the lead actuary for large public systems that receive similar service including the Retirement Systems of Alabama, Kentucky Teachers and Georgia.

➤ **Education;**

- B.S. degree in Computer Science from New Jersey Institute of Technology

➤ **Professional designations and memberships; and**

- Associate of the Society of Actuaries
- Fellow of the Conference of Consulting Actuaries
- Member of the American Academy of Actuaries
- Board of Directors – Georgia Partnership for Excellence in Education



## **APPENDIX A - BIOGRAPHIES**

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### **Edward A. Macdonald, ASA, FCA, MAAA (continued)**

#### **➤ Relevant publications, studies or presentations.**

Ed has recently authored the following:

- “Understanding Actuarial Concepts”, May 2006, National Council of Teachers Retirement
- “Reducing Contribution Volatility”, January 2006, Mid-Winter Conference on Large Public Employers
- “Actuarial Valuation and Accounting Issues”, March 2006, Alabama Government Finance Officers Association
- “The Actuarial Costs of Closing a Defined Benefit Plan by Offering A Mandatory Defined Contribution Plan”, April 2005, Southern Conference on Teacher Retirement
- “Good Times/Bad Times”, June 2005, National Council of Teachers Retirement – Directors Conference
- “GASB OPEB and Health Care Costs”, June 2004, National Council of Teachers Retirement – Directors Conference

As well as a number of additional pieces over the last 20 years.



## **APPENDIX A - BIOGRAPHIES**

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### **Alisa Bennett, ASA, EA, FCA, MAAA**

➤ **Description of their position;**

Senior Actuary and Back-up Healthcare Actuary

➤ **Current responsibilities;**

Alisa has experience in the preparation of annual other post-employment benefit (OPEB) and pension valuations, plan design consulting and cost studies, proposed legislation pricing, health claims underwriting, Medicare Part D analysis and actuarial attestations, experience studies and other special cost studies for governmental clients for many state and municipal plans. Alisa spends 100% of her time on client services and serves as lead actuary for several of our OPEB clients including Alabama PEEHIP, Alabama SEHIP, and several large counties and municipalities. She is the attesting actuary for purposes of creditable coverage and the RDS subsidy under Medicare Part D for several of our state clients.

➤ **Date of hire;**

July 20, 2005, 16 years of public sector experience.

➤ **Areas of expertise;**

Alisa has a broad range of experience in preparation of annual other post-employment benefit (OPEB) and pension valuations, proposed legislation pricing, health claims underwriting, Medicare Part D analysis and actuarial attestations, and the design, administration and funding of public retirement plans and health plans.

➤ **Relevant experience;**

Alisa has 16 years of public sector consulting experience providing services to large public clients. She serves as lead actuary for several of our OPEB clients including Alabama PEEHIP, Alabama SEHIP, and several large counties and municipalities in the State of Florida. She is the attesting actuary for purposes of creditable coverage and the RDS subsidy under Medicare Part D for several of our state clients.

➤ **Education;**

- B.S. in Mathematics from University of Georgia
- Master of Arts in Mathematics from University of Georgia



## **APPENDIX A - BIOGRAPHIES**

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**Alisa Bennett, ASA, EA, FCA, MAAA (continued)**

➤ **Professional designations and memberships; and**

- Associate of the Society of Actuaries
- Enrolled Actuary under ERISA
- Fellow of the Conference of Consulting Actuaries
- Member of the American Academy of Actuaries

➤ **Relevant publications, studies or presentations.**

Alisa recently sat on a panel discussing Healthcare Costs at the IMN's 2nd Annual Middle Atlantic Public Employee Retirement Systems (MATPERS) Forum



## APPENDIX A - BIOGRAPHIES

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### **Todd Green**

➤ **Description of their position;**

Senior Consultant

➤ **Current responsibilities;**

Todd has experience in the preparation of annual valuations, proposed legislation pricing, experience studies and other special cost studies for governmental clients for many state and municipal plans. Todd spends 100% of his time on client services.

➤ **Date of hire;**

July 25, 2005, 11 years of public sector experience.

➤ **Areas of expertise;**

Todd has a broad range of experience in proposed legislation pricing, actuarial audits, experience studies, retiree medical valuations, health claims underwriting and the design, administration and funding of public retirement plans and health plans.

➤ **Relevant experience;**

Todd has 11 years of consulting experience providing services to large public clients currently including the Kentucky Retirement System, the Virginia Retirement System, the City of Fort Lauderdale and the City of Pensacola.

➤ **Education;**

- B.S. in Mathematics with a concentration in Actuarial Science from Georgia State University
- Completed Society of Actuaries Exam P, Exam FM, VEE Economics, VEE Corporate Finance, Exam M, Exam C, VEE Applied Statistics

➤ **Professional designations and memberships**

None.



## **APPENDIX A - BIOGRAPHIES**

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### **Todd Green (continued)**

➤ **Relevant publications, studies or presentations.**

Todd has been a speaker at the North Carolina State Treasurer Conference, North Carolina Government Finance Officers Association, North Carolina Association of County Commissioners, and the North Carolina League of Municipalities Regional Risk Management Workshops relating to the implementation of GASB 43 & 45 for post-employment benefits other than pensions.



## **APPENDIX A - BIOGRAPHIES**

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### **Lacrecia Maddox**

➤ **Description of their position;**

Consultant/Production

➤ **Current responsibilities;**

Lacrecia has experience in the preparation of annual valuations, proposed legislation pricing, experience studies and other special cost studies for governmental clients for many state and municipal plans.

➤ **Date of hire;**

March 21, 2007, 13 years of public sector experience.

➤ **Areas of expertise;**

She brings 13 years of experience to her role. She is proficient in the preparation of data management, actuarial valuations, actuarial audits, financial disclosure information, liability development and special cost studies.

➤ **Relevant experience;**

Lacrecia has 13 years of consulting experience providing services to large public clients.

➤ **Education;**

- M.A.M.S in Applied Mathematics from the University of Georgia
- B.S. in Mathematics from the University of Georgia
- A.A. from Oxford College of Emory University
- Completed Society of Actuaries Exams 1

➤ **Professional designations and memberships; and**

None.

➤ **Relevant publications, studies or presentations.**

None.



## **APPENDIX A - BIOGRAPHIES**

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### **Terence C. Bhawanie**

➤ **Description of their position;**

Actuarial Analyst

➤ **Current responsibilities;**

Terence has experience in the preparation of annual valuations, proposed legislation pricing, experience studies and other special cost studies for governmental clients for many state and municipal plans. Terence spends 100% of his time on client services.

➤ **Date of hire;**

January 21, 2008, 7 years of public sector experience.

➤ **Areas of expertise;**

Terence has a broad range of experience in proposed legislation pricing, actuarial audits, experience studies, retirement benefit and service purchase calculations, projection studies and detailed gain/loss analysis.

➤ **Relevant experience;**

Terence has 7 years of public sector experience providing services to large public clients, including several Florida municipalities.

➤ **Education;**

- B.S. in Mathematics from York University, Toronto Canada

➤ **Professional designations and memberships; and**

- None.

➤ **Relevant publications, studies or presentations.**

- None.



## **APPENDIX A - BIOGRAPHIES**

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### **Lorraine Bhawanie**

➤ **Description of their position;**

Actuarial Analyst

➤ **Current responsibilities;**

Lorraine has experience in the preparation of annual valuations, proposed legislation pricing, experience studies and other special cost studies for governmental clients for many state and municipal plans. Lorraine spends 100% of her time on client services.

➤ **Date of hire;**

January 21, 2008, 6 years of public sector experience.

➤ **Areas of expertise;**

Lorraine has a broad range of experience in proposed legislation pricing, actuarial audits, experience studies, and retiree medical valuations.

➤ **Relevant experience;**

Lorraine has 6 years of experience providing services to large public clients, including healthcare/OPEB services to several Florida municipalities and counties.

➤ **Education;**

B.S. in Mathematics from Madonna University.

➤ **Professional designations and memberships; and**

None.

➤ **Relevant publications, studies or presentations.**

None.



## **APPENDIX A - BIOGRAPHIES**

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### **Joseph Walls**

➤ **Description of their position;**

Actuarial Analyst

➤ **Current responsibilities;**

Joseph currently performs annual valuations for public sector pension and health plans. He also completes cost studies and other special calculations as necessary.

➤ **Date of hire;**

November 13, 2007, 7 years of public sector experience.

➤ **Areas of expertise;**

Joseph has a broad range of experience in the administration of public retirement plans, including extensive experience with retirement benefit and service purchase calculations. He also has experience in communicating plan provisions to employers and plan participants.

➤ **Relevant experience;**

Joseph has over 7 years of experience in the administration of state and local government retirement plans.

➤ **Education;**

- M.B.A. with a concentration in Risk Management and Insurance from Georgia State University
- B.S. in Mathematics with a Minor in Business Administration from North Georgia College and State University

➤ **Professional designations and memberships;**

None.

➤ **Relevant publications, studies or presentations.**

None.



## **APPENDIX A - BIOGRAPHIES**

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### **Kristen Hahn**

➤ **Description of their position;**

Actuarial Analyst

➤ **Current responsibilities;**

Kristen works primarily in the Health and Group Benefits arena, and has expertise in GASB 43/45 OPEB valuations, setting reserves for Incurred but not Reported (IBNR) claims, Medicare Part D analysis and actuarial attestations, pharmacy claim audits, and other general health and group benefits related projects, such as budget projections and employee/retiree contribution strategies.

➤ **Date of hire;**

June 18, 2007, 2 years of public sector experience.

➤ **Areas of expertise;**

Kristen has a broad range of experience in data analysis, pension valuations, pension cost studies, and pension projections.

➤ **Relevant experience;**

Kristen has 2 years of analyst experience providing services to large public clients..

➤ **Education;**

- B.S. in Mathematics from Texas State University-San Marcos
- Master of Actuarial Science from Georgia State University

➤ **Professional designations and memberships; and**

None.

➤ **Relevant publications, studies or presentations.**

None.



**Dustin P. Borg**

➤ **Description of their position;**

Actuarial Analyst

➤ **Current responsibilities;**

Dustin recently joined Cavanaugh Macdonald. Dustin will be performing annual valuations for public sector pension plans. He will also be working on cost studies and other special calculations as necessary.

➤ **Date of hire;**

September, 2008

➤ **Areas of expertise;**

Dustin has a strong background in finance, engineering and Spanish. Dustin has experience in risk analysis of financial instruments.

➤ **Relevant experience;**

Dustin has experience in risk management and financial analysis. Dustin studied in Madrid, Spain and is fluent in Spanish.

➤ **Education;**

- Master of Science from Vanderbilt University
- Bachelor of Engineering from Vanderbilt University, with Majors in Spanish and Mechanical Engineering

➤ **Professional designations and memberships;**

None.

➤ **Relevant publications, studies or presentations.**

None.



A copy of our registration to do business in the State of Florida is provided on the following page.



## FLORIDA DEPARTMENT OF STATE

Glenda E. Hood  
Secretary of State

August 3, 2005

CAVANAUGH MACDONALD CONSULTING, LLC  
665 MOLLY LANE SUITE 150  
WOODSTOCK, GA 30189

Qualification documents for CAVANAUGH MACDONALD CONSULTING, LLC were filed on August 2, 2005, and assigned document number M05000004291. Please refer to this number whenever corresponding with this office.

Your limited liability company is now qualified and authorized to transact business in Florida as of the file date. In accordance with section 608.406(2), F.S., the name of this limited liability company is filed with the Department of State for public notice only and is granted without regard to any other name recorded with the Division of Corporations.

This document was electronically received and filed under FAX audit number H05000183939.

A limited liability company annual report/uniform business report will be due this office between January 1 and May 1 of the year following the calendar year of the file date. A Federal Employer Identification (FEI) number will be required before this report can be filed. If you do not already have an FEI number, please apply NOW with the Internal Revenue by calling 1-800-829-3676 and requesting form SS-4.

Please be aware if the limited liability company address changes, it is the responsibility of the corporation to notify this office.

Should you have any questions regarding this matter, please contact this office at the address given below.

Michelle Hodges

Document Specialist

Registration/Foreign Qualification

Division of Corporations

Letter Number: 005A00050018

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314