

ADDENDUM 2

(please sign and return with the submittal)

CHANGES – Scope of Work

1. Change 1 – Section 2, Agreement, Subsection 2.2, Exhibit A – Scope of Work, 2.2.4, Deliverables, is removed and replaced in its entirety with Exhibit C, Deliverables, which is attached to the end of this Addendum.

Note:

- Deliverables remains substantially the same, however
- items that have been added are highlighted in green, and
- items that have been removed are struck-through and highlighted in red.

CHANGES – Standard Terms and Conditions

2. Change 2 – Section 2, Agreement, Subsection 2.4, Standard Terms and Conditions, 2.4.7, Costs and Payments, Paragraph A is amended. 2.4.7.A. should now read as “A. Payments shall be made in proportion to the Services performed and no more than ninety percent (90%) of the total contract price shall be paid before the work is totally completed and accepted by the City.”

CHANGES – Insurance Requirements

3. Change 3 – Section 2, Agreement, Subsection 2.7, Insurance Requirements, 2.7.7, Notice of Cancellation, is amended. 2.7.7. should now read as “For each insurance policy required by the insurance provisions of this Contract, the Consultant must provide to the City, within 5 business days of receipt, a notice if a policy is suspended, voided or cancelled for any reason. Such notice must be mailed, emailed, or hand delivered to procurement@phoenix.gov; City of Phoenix, Finance Department, Procurement Division, 251 W. Washington St., 8th Floor, Phoenix, Arizona 85003.”
4. Change 4 – Section 2, Agreement, Subsection 2.7, Insurance Requirements, 2.7.9, Verification of Coverage, is amended. The third paragraph of 2.7.9. should now read as “All certificates required by this Contract must be sent directly to procurement@phoenix.gov; City of Phoenix, Finance Department, Procurement Division, 251 W. Washington St., 8th Floor, Phoenix, Arizona 85003. The City project/contract number and project description must be noted on the certificate of insurance. The City reserves the right to review complete copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE CITY’S RISK MANAGEMENT DIVISION.**”

CHANGES – Submittals

5. Change 5 – Section 3, Submittals, Subsection 3.3, Scope of Work and Special Terms and Conditions, is amended. 3.3. should now read as “Contractor will provide consulting services that will be in accordance with the Scope of Work as set forth in EXHIBIT A – SCOPE OF WORK, which may be supplemented with additional detail from time to time during the term of the Agreement, and that are satisfactory to the City. Contractor will provide progress reports to “the City” according to a mutually agreed-upon schedule.”

QUESTIONS AND ANSWERS:

Note: Spelling, grammar, and punctuation of the questions are shown exactly as submitted by the potential respondents.

No.	Question	Answer
1.	We reviewed the RFP for Actuarial Services for MERP, LTR and Sick Leave Benefits (#RFP PS-24-0310) and have the following questions/requests: 1. Please provide the two most recent actuarial valuation reports for each of the plans included in the scope of services.	As this question deals with an existing City of Phoenix contract please submit a Public Records Request to get this specific information, please use pr@phoenix.gov .
2.	2. Please provide the fees charged by the current actuary for the reports requested above.	As this question deals with an existing City of Phoenix contract please submit a Public Records Request to get this specific information, please use pr@phoenix.gov .
3.	3. It looks like page 5 of the RFP indicates the email address proposals should be sent to. Could you please confirm that we won't need to use the City's procurePHX site to submit our proposal?	Yes, please do not submit through procurePHX. As directed in the submittal section, submit an electronic copy of all required documentation to procurement@phoenix.gov . (Reference Section 1, Instructions, subsection 1.1, Introduction, 1.1.3, Timeline on page 5. and also reference Section 3., Submittals, subsection 3.4., Submittals, 3.4.2., Copies, on page 62.)

The balance of the specifications and instructions remain the same. Bidder must acknowledge receipt and acceptance of this addendum by signing below and returning the entire addendum with the bid or proposal submittal.

Name of Company: _____

Address: _____

Authorized Signature: _____

Print Name and Title: _____

Exhibit C, Deliverables

2.2.4. *Deliverables*

A. Scope of Services – Sick Leave Benefits – GASB 16/101 reporting

1. A valuation report will be produced to present the results of the actuarial valuation of the Sick Leave Benefits for the City of Phoenix for Fiscal Year Ending June 30, 2025.
2. The report will be due September 1, annually, for the use of the City of Phoenix and its auditors in preparing financial reports.
3. The liability calculations in the report will be calculated in accordance with the methodology set forth in Governmental Accounting Standard Board Statement No. 101 (GASB 101).
4. The report, at a minimum, will include the following:
 - a. The Summary of Results (by employee group);
 - b. A sensitivity chart showing the results at varying discount rates and including no discount rate (0.00%);
 - c. A chart of the historical valuation data;
 - d. The summary of actuarial assumptions and methods;
 - e. A summary of plan provisions, including a chart for the qualifying and Base hours and percentage of Base Wage Paid for Balance over Base hours;
 - f. A chart of accrued liabilities and participant counts by department;
 - g. The summary of employee data used in the valuation;
 - h. A glossary of terms.

B. Scope of Services – Long Term Disability – Valuation and GASB Report

1. A roll forward GASB 74 and 75 report will be prepared for Fiscal Year Ending June 30, 2026, based on the July 1, 2025, result. A full ~~GASB 101~~ GASB 74 and 75 report will be prepared as of July 1, 2025, for the Fiscal Year Ending June 30, 2025.
2. A valuation report will be produced to present the results of the actuarial valuation of the LTD plan as of July 1, 2025. The liability calculations in this report will be based on ~~GASB 101~~ GASB 74 and 75 reporting.
3. Every other year will be a roll forward ~~GASB 101~~ GASB 74 and 75 report.
4. The report will be due September 10, annually, for the use of the City of Phoenix and its auditors in preparing financial reports.
5. The report, at a minimum, will include the following:
 - a. An executive summary (including the statement of funding policy and accounting policy);

- b. A summary of the valuation results (including a summary by retirement system);
 - c. Tables illustrating the assets, unfunded accrued liability, the development of the actuarially determined contribution, expected benefit payment and the reconciliation of the actuarial accrued liability;
 - d. Accounting disclosures as required under GASB including notes;
 - e. Participant data summaries;
 - f. Actuarial assumptions and methods;
 - g. A summary of the substantive plan provisions;
 - h. A glossary of terms.
- C. Scope of Services – Medical Expense Reimbursement Plan – Valuation and GASB Report
1. A roll forward GASB 74 and 75 report will be prepared for Fiscal Year Ending June 30, 2026, based on the July 1, 2025, result. A full ~~GASB 101~~ GASB 74 and 75 report will be prepared as of July 1, 2025, for the Fiscal Year Ending June 30, 2025
 2. A valuation report will be produced to present the results of the actuarial valuation of the MERP as of July 1, 2025. The liability calculations in this report will be based on ~~GASB 101~~ GASB 74 and 75 reporting.
 3. Every other year will be a roll forward ~~GASB 101~~ GASB 74 and 75 report.
 4. The report will be due September 10, annually, for the use of the City of Phoenix and its auditors in preparing financial reports.
 5. The report, at a minimum, will include the following:
 - a. An executive summary (including the statement of funding policy and accounting policy);
 - b. A summary of the valuation results (including a summary by retirement system);
 - c. Tables illustrating the assets, unfunded accrued liability, the development of the actuarially determined contribution, expected benefit payment and the reconciliation of the actuarial accrued liability;
 - d. Accounting disclosures as required under GASB including notes;
 - e. Participant data summaries;
 - f. Actuarial assumptions and methods ;
 - g. A summary of the substantive plan provisions;
 - h. A glossary of terms.