

SCOPE OF SERVICES CM10-11

1.1 General

The BRS is seeking proposals to obtain the services of an actuary for the calendar years beginning 2023, 2024, 2025, 2026, 2027, with an option to renew these services for an additional one or two years, to prepare a biennial valuation of the pension plan for the following purposes:

- (1) To determine the financial condition of the plan at the end of the year.
- (2) To determine the recommended contribution for the ensuing fiscal years.
- (3) To prepare all necessary information required as set forth in Government Accounting Standards Board (GASB) and Financial Accounting Standards Board (FASB) and the funding schedule as required under section 22D of Chapter 32.

The firm selected shall prepare the following:

- (1) A complete biennial valuation for the plan years ending December 31, 2023, December 31, 2025, and December 31, 2027. The valuation will comply with all of the provisions required by the Public Employee Retirement Administration Commission, Chapter 32, the Code of Massachusetts Regulations, the specific needs of the Boston Retirement System including a review of its existing established assumptions to determine whether any changes should be considered.
- (2) An update of the present funding schedule
- (3) Completion of the Governmental Accounting Standards Board (GASB) Statements No. 67 and 68 Accounting Valuation Report each December 31.
- (4) An annual review of the System to determine the potential impact to the Retirement System if the Board voted to increase the COLA base

In addition to the preparation of the biennial valuation and other responsibilities listed above, the successful bidder may be asked to perform additional services on a project by project basis, which will involve consulting services on the following:

- (1) Verification of the fiscal appropriation by the Public Employee Retirement Administration Commission.
- (2) Improvements in record-keeping.
- (3) Forecasting and liability modeling for the pension plan under various alternatives.
- (4) The firm will likely be required to provide information for City of Boston's June 30th financial statement for the respective five (5) fiscal years of 2023 through FY2027 and subsequent two years if the contract is extended beyond the initial five (5) years.

The biennial valuation shall contain but not be limited to the following information:

- (1) The annual cost of the system to fully fund the actuarial liability by June 30, 2027, as stipulated under Section 22D of Chapter 32 of the General Laws of Massachusetts for BRS and Boston School Teachers.
- (2) A draft report shall be prepared for review and comment by the Board before completion of the final report to be submitted to the Board and other governing bodies as so requested. The firm which is retained must make individuals available to meet at short notice with the Board and/or the Board's CPA firm, and representatives of the City of Boston's Office of the

Chief Financial Officer, the Office of Budget Management, the City Auditor's office, the City's outside CPA firm, and other Employer's representatives.

The annual valuation shall contain but not be limited to the following

- (1) The annual cost and liabilities for each of the following separate departments/agencies within the Boston Retirement System:

Boston School Teachers
Boston Public Health Commission
Boston Planning and Development Agency
Boston Housing Authority
Water and Sewer Commission
City Employees
Retired Suffolk County Sheriff's Department
Retired Suffolk County Trial Court

For each of the above groups, the costs and liabilities must be presented separately, and a separate asset allocation must be prepared.

- (2) The report shall contain all information necessary for compliance by the City of Boston for each department/agency under GASB and FASB requirements.
- (3) A draft report shall be prepared for review and comment by the Board before completion of the final report to be submitted to the Board and other governing bodies as so requested. The firm which is retained must make individuals available to meet at short notice with the Board, and representatives of the City of Boston's Office of the Chief Financial Officer, the Office of Budget Management, the City Auditor's office, the City's outside CPA firm and other Employer's representatives