



Request for Quotes

Actuarial Valuation for Other Post-Employment Benefits (OPEB)

September 22, 2020

I. Introduction:

The Local Agency Formation Commission for the County of Los Angeles (LA LAFCO) is requesting quotes from qualified professional firms to provide LA LAFCO an OPEB Actuarial Valuation to comply with the current GASB requirements. The most recent OPEB Valuation for LA LAFCO was performed as of July 1, 2016.

II. Background:

Following the end of World War II, California entered a new era of demographic growth and diversity, and economic development. With this growth came the need for housing, jobs and public services. To provide for these services, California experienced a wave of newly formed cities and special districts, but with little forethought as to how the new agencies should plan for services. The lack of coordination and adequate planning for future governance led to a multitude of overlapping, inefficient jurisdictional and service boundaries.

In 1963, the State Legislature created Local Agency Formation Commissions (LAFCOs) to help direct and coordinate California's growth in a logical, efficient, and orderly manner. Each county within California is required to have a LAFCO. LAFCOs are charged with the responsibility of making difficult decisions on proposals for new cities and special districts, spheres of influence, consolidations, and annexations.

A. LAFCO Commission Composition and Staffing

Los Angeles LAFCO has a Commission composition consists of the following: two members are from the respective county's Board of Supervisors; two members are elected officials from cities within each county; one member is an elected official from the City of Los Angeles; two members are elected officials representing special districts located within each county; one member is selected as a public at-large member; and one member is selected to represent the San Fernando Valley. LA LAFCO has a staff comprised of an Executive Officer, a Deputy Executive Officer, three analysts, one GIS specialist, and support staff. LAFCO employs 6 full-time staff members and one part-time staff member. LAFCO utilizes consultant assistance on a limited basis to supplement staff efforts.

B. Funding for LAFCOs

In 2000, the State Legislature signed into a law the Cortese-Knox-Hertzberg Local Government Reorganization Act which provided more independence for LAFCOs and changed the way LAFCOs are funded. Previously, LAFCOs were entirely funded (staffing, facilities, etc.) through their respective counties. Beginning January 1, 2001, State Law requires that LAFCOs be independent of their respective counties, and requires that LAFCO's beneficiaries, the county, cities and special districts, equally share in the funding of LAFCO's budgetary costs.

The FY 2019-20 Los Angeles LAFCO Budget is approximately \$1.42 million. Funding for LAFCO operations are shared by the county, the cities, the independent special districts located in the County and the City of Los Angeles. Although the County contributes the bulk of the local agency apportionment to fund LA LAFCO, LAFCO is an independent agency and its budget is not subject to their respective County's approval or oversight. Due to available cost saving opportunities, LA LAFCO has entered into various contractual arrangements with the County of Los Angeles as well as private vendors to provide certain services for LAFCO, including: office facilities, insurance, banking/investment, purchasing, internal auditing and employee benefits. LA LAFCO also participates in the Los Angeles County Employees' Retirement Association (LACERA).

III. Scope of Services:

LACERA conducts annual OPEB valuations. The most recent LAFCERA valuation was conducted July 1, 2019. The valuation does not include the proportionate share of agents, such as Los Angeles LAFCO. LA LAFCO is seeking an update to its current OPEB Actuarial Valuation for fiscal year ended July 1, 2016. Due to the relatively small size of the Los Angeles LAFCO, to comply with GASB No. 74&75 requirements, it is seeking an updated Alternative Measurement Method (AMM) based on LACERA's OPEB valuations.

IV. Budget:

The administration of the professional services agreement will be managed by LA LAFCO and the funding will come from our Adopted Final Budget for Fiscal Year 2020-21. As such, LAFCO has limited resources and time to accomplish its goals. In light of this, proposals that demonstrate that the final project will meet the requirements as described in the scope of services in a timely manner and at a low cost, will be looked upon most favorably.

A final budget amount for this project will be negotiated with the firm selected for the work as part of an agreement recommended to LAFCO for adoption. Subject to negotiation of a final agreement, it is anticipated that payments will be tied to task completion increments or other milestones. Work will not be authorized beyond the not to exceed amount disclosed in the contract pursuant to the negotiated agreement.

V. Schedule:

The AMM must be completed within approximately 4-6 weeks.

VI. Quote Requirements:

Responses to this Request for Quotes must include the following:

1. A brief statement regarding the anticipated approach for this project.
2. The cost to prepare an AMM to satisfy the GASB requirements.
3. Provide a brief history of the firm's work experience with government agencies and include the names of at least two public sector customers for which the firm has provided the same or similar services.
4. Identification of the firm's contact person/project manager and key technical contact, if different.

VII. Submittal Requirements:

DUE DATE:

Completed responses must be received electronically by **5:00 p.m. October 7, 2020**. Email your responses to:

Adriana Romo
Deputy Executive Officer
Email: aromo@lalafco.org

All quotes, whether selected or rejected, shall become property of Los Angeles LAFCO. LAFCO is not liable for any costs of preparation or presentation of quotes.

VIII. Selection Process:

Based on relevant work experience, the completeness of the response, cost, and the overall project approach identified in the quotes received, LA LAFCO may select a firm solely based on the documentation submitted.

The firm selected will receive a draft professional services agreement. A final agreement will be negotiated with the firm. Final selection will be made by LAFCO by approving a professional services agreement for the work to be completed.

IX. Questions:

*Los Angeles LAFCO Request for Quotes
OPEB Actuarial Valuation*

Please contact Adriana Romo at aromo@lalafco.org, or call (626) 204-6500.

Thank you for your participation.