

Compensation Summary

Cheiron

	FY:	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Total</u>
Review of 13 actuarial valuations		\$68,000		\$73,000	\$75,000	\$216,000
Replication of 13 actuarial valuations			\$240,000			\$240,000
Review of experience studies			\$20,000			\$20,000
Totals		\$68,000	\$260,000	\$73,000	\$75,000	\$476,000

Deloitte

	FY:	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Total</u>
Review of 13 actuarial valuations		\$65,000		\$69,630	\$72,067	\$206,697
Replication of 13 actuarial valuations			\$139,725			\$139,725
Review of experience studies			\$25,875			\$25,875
Totals		\$65,000	\$165,600	\$69,630	\$72,067	\$372,297

Comments:

(1) Proposal gave rates for the first year of the contract, with statement that rates and fees will escalate during the contract by changes in the Consumer Price Index. Costs stated above for fiscal years 2010, 2011, and 2012 assume 3.5% annual inflation.

(2) Price of a comprehensive actuarial audit, rather than a review, would be \$95,000 in 2009 rather than \$65,000, escalating by 4% thereafter.

Gabriel Roeder Smith and Company (GRS)

	FY:	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Total</u>
Review of 11 actuarial valuations		\$92,000		\$99,507	\$103,487	\$294,994
Replication of 11 actuarial valuations			\$191,360			\$191,360
Review of experience studies			\$78,000			\$78,000
Totals		\$92,000	\$269,360	\$99,507	\$103,487	\$564,354

Comments:

(1) Proposal gave rates for first year of contract with statement that rates and fees will escalate during the contract by 4% per year. Costs stated above for fiscal years 2010, 2011, and 2012 include 4% annual increase.

(2) GRS is currently the actuary for MERF and SPTRFA. The GRS proposal is to audit/review all plans except those two. Thus, it is a proposal to audit/review 11 plans rather than 13.

Hay Group

	FY:	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Total</u>
Review of 13 actuarial valuations		\$45,128		\$48,348	\$50,012	\$143,488
Replication of 13 actuarial valuations			\$260,000			\$260,000
Review of experience studies			\$21,840			\$21,840
Totals		\$45,128	\$281,840	\$48,348	\$50,012	\$425,328

Comment: Cost estimate based on clarification of proposal provided by Hay Group.

Kenney Consulting

	FY:	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Total</u>
Review of 13 actuarial valuations		\$75,000		\$60,000	\$60,000	\$195,000
Replication of 13 actuarial valuations			\$95,000			\$95,000
Review of experience studies			\$10,000			\$10,000
Totals		\$75,000	\$105,000	\$60,000	\$60,000	\$300,000

Milliman

	FY:	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Total</u>
Review of 13 actuarial valuations		\$65,000		\$70,000	\$73,000	\$208,000
Replication of 13 actuarial valuations			\$110,000			\$110,000
Review of experience studies			\$18,000			\$18,000
Totals		\$65,000	\$128,000	\$70,000	\$73,000	\$336,000

PricewaterhouseCoopers (PwC)

	FY:	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Total</u>
Review of 13 actuarial valuations		\$67,000		\$71,080	\$73,213	\$211,293
Replication of 13 actuarial valuations			\$100,940			\$100,940
Review of experience studies			\$12,360			\$12,360
Totals		\$67,000	\$113,300	\$71,080	\$73,213	\$324,593

Comments: Proposal gave rates for first year of contract with statement that rates and fees will escalate by 3% per year during the contract. Costs stated above for fiscal years 2010, 2011, and 2012 include 3% annual increases.