

From: Mike Born <mike.born@hildiinc.com>
Sent: Sunday, February 21, 2016 2:38 PM
To: mbode@rockvillecity.org
Subject: GASB 67 & 68 Valuation for Rockville VFRA Pension
Attachments: Hildi Inc. GASB 67&68 Proposal -- City of Rockville VFRA.pdf; Hildi Inc. Consulting Contract Rockville VFRA 2015.pdf; Hildi Inc. Appendix 1 (Fee Schedule).pdf

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Hi Martin,

Thank you for reaching out to us regarding the actuarial needs of your voluntary firefighters' pension plan. We are pleased that you are considering Hildi Inc. to be the actuary for your VFRA plan.

The cost for a full actuarial valuation will be \$2,400 and would include the necessary financial reporting exhibits under **GASB 67 and 68**. Our approach to GASB 67&68 implementation allows us to produce year-end 2015 results for the City using information filed with the State Auditor's office last year and we would be able to produce the 2016 city audit results well ahead of time for next year's audit cycle.

Typically, a new study will need to be performed every two years. The cost to update the valuation and prepare reporting for years when a full valuation is not required is \$1,000. Attached is a summary of our pricing structure and our innovative approach to GASB 67&68 implementation, along with a proposal booklet and service agreement.

To get started with your valuation, we would need to gather data on your firefighter population, VFRA plan benefits, and special fund investments. When you are ready to proceed, we will send over a data request with the details we will need; a sample is provided in the attached proposal. To ease the data collection burden on the City and the Relief Association, we have structured our data request around the reporting forms that are already required to be sent to the state each summer. We are flexible in working with any upcoming audit deadlines, so we will work with you on a project timeline that ensures you have the results of our study when you need them. While this year will be different due to the timing, **our usual approach is to complete the annual report well in advance of any year-end reporting deadlines.**

Hildi Inc. offers GASB 67 & 68 services to VFRA plans statewide to make the transition seamless and keep your costs down. We are proactively working with cities, plans, and the audit community to ensure there are no audit "surprises". We look forward to serving your firefighter community and the City of Rockville. Please reach out and let me know if I can help in any way.

Best,

Mike

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