



Legislation Text

File #: 22-569, Version: 1

CITY COUNCIL AGENDA ITEM

Memo Date: September 16, 2022
Agenda Date: September 27, 2022
Prepared By: Tammy Gemmati, Administrative Services Director
Through: Stockton Whitten, City Manager

Requested Action:

Approve City Staff's vendor selection for award of RFQ# CS-22-02-COC, Workers' Compensation Actuarial Study for the City of Cocoa and authorize the City Manager to negotiate and execute a multi-year contract and subsequent renewals with AMI Risk Consultants, Inc. from October 1, 2022 to September 30, 2025 and any approved renewal terms in the contract.

BACKGROUND:

The City of Cocoa operates under a self-insured Worker's Compensation plan and follows Florida Statute requirements for operational requirements and funding. The City annually budgets funding for our Workers' Compensation self-insured claims fund and contracts with a third-party administrator (TPA) to administer the claims in accordance with the laws of the State of Florida. An annual actuarial study is required to estimate funding levels for Workers' Compensation for current and future claims. Additionally, the recommendations for funding levels must comply with the Governmental Accounting Standards Board Statement Number 10 (GASB-10).

In an exercise of due diligence and in an effort to contain costs, the Administrative Services Department staff worked with Finance to advertise a Request for Quote for the Workers' Compensation Actuarial Study via VendorLink. The solicitation was advertised August 10 - August 29, 2022. There were minimum qualification requirements set to be considered a qualified proposer. The City received three complete quotes and all met the minimum qualifications. The price quotes were as follows:

1. AMI Risk Consultants, Inc., \$2,500
2. Madison Consulting Group, Inc., \$5,000
3. Pinnacle Actuarial Resources, Inc., \$5,000

AMI Risk Consultants has completed the actuarial report for the City of Cocoa annually since 2016. In the past we solicited quotes annually with multiple firms and AMI has historically been the lowest. For the last plan year, the cost for AMI to perform services was \$2,800. This new multi-year quote will be a savings to the City. Due to AMI being the lowest bid and satisfaction with their service the past years, Staff recommends a multi-year contract with dates of October 1, 2022 - September 30, 2025 and two one-year renewal options.

STRATEGIC PLAN CONNECTION:

Approval of the actuarial services contract will provide financial stability to our self-insured Workers' Compensation fund, and will allow the City to control related expenses.

BUDGETARY IMPACT:

Budgeted	Yes
If not budgeted, is amendment/transfer attached?	N/A

Amount Requested	<u>\$2,500</u>
Account Number	<u>520-1801-513-31.00</u>
Account Name	<u>Professional Services</u>

PREVIOUS ACTION:

N/A

RECOMMENDED MOTION:

Approve City Staff's vendor selection for award of RFQ# CS-22-02-COC, Workers' Compensation Actuarial Study for the City of Cocoa and authorize the City Manager to negotiate and execute a multi-year contract and subsequent renewals with AMI Risk Consultants, Inc. from October 1, 2022 to September 30, 2025 and any approved renewal terms in the contract.