

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-11

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6169 • Fax (562) 570-5836

October 9, 2007

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing the City Manager to execute an agreement and all related documents with Bartel Associates, LLC to provide actuarial services for the Public Agency Retirement System (PARS) Defined Benefits Plan Trust, in an amount not to exceed \$25,000 annually. (Citywide)

DISCUSSION

The City's temporary and contract employees receive retirement benefits through the Public Agency Retirement System (PARS) Defined Benefit Plan Trust (Plan). PARS, the Trust Administrator, is a 401(a) tax-qualified multiple employer trust composed of various California governmental agencies including cities, school districts, community colleges, counties and other special districts.

Since the Plan's inception, Bartel Associates, LLC has performed the actuarial function under a consolidated contract with PARS. To increase transparency, the attached Resolution segregates the services of Bartel Associates, LLC into a separate contract. PARS has been and will remain responsible for the day-to-day administration of and record-keeping for the Plan. Union Bank of California N.A. is the trustee for the Plan, and is responsible for investing contributions, safeguarding assets and distributing benefits to eligible Plan participants or their beneficiaries.

Bartel Associates, LLC has assisted the City with California Public Employees Retirement System (CalPERS) and PARS actuarial valuations since 1992. Bartel Associates, LLC is the premier actuarial services provider to cities, based on their particular expertise on CalPERS issues, and have proven to be an extremely valuable resource for the City. A primary function of actuarial professionals is to ensure the Plans' trust estates are sufficient to meet the projected benefit obligation to the participants. Additionally, Bartel Associates, LLC is an expert in Other Post Employment Benefits and defined-contribution retirement plans. Bartel Associates, LLC is currently advising the City on these issues as well.

The expertise, experience and intimate knowledge of the City's various retirement plans uniquely qualify Bartel Associates, LLC for this engagement.

This matter was reviewed by Deputy City Attorney Lori Conway on October 1, 2007 and Budget and Performance Management Bureau Manager David Wodynski on September 20, 2007.

TIMING CONSIDERATIONS

Council adoption of the Resolution is requested on October 9, 2007 to ensure continuity of services.

FISCAL IMPACT

There is no direct fiscal impact to the General Fund for the Plan administration or actuarial services. These costs are directly borne by the Plan itself.

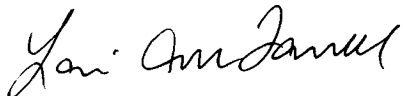
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



DAVID S. NAKAMOTO
CITY TREASURER



LORI ANN FARRELL
ACTING DIRECTOR OF FINANCIAL MANAGEMENT

LAF:DN:AG
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ATTACHMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO EXECUTE A CONTRACT WITH BARTEL
6 ASSOCIATES, LLC WITHOUT ADVERTISING FOR BIDS
7 TO PROVIDE ACTUARIAL SERVICES FOR THE PUBLIC
8 AGENCY RETIREMENT SYSTEM (PARS) DEFINED
9 BENEFITS PLAN TRUST

10
11 WHEREAS, the City Council approved the establishment of the City's
12 Public Agency Retirement System ("PARS") Defined Benefit Plans as alternates to Social
13 Security for certain City staff; and

14 WHEREAS, PARS is a 401(a) tax-qualified multiple employer trust ("Trust")
15 composed of various California governmental agencies; and

16 WHEREAS, the Trust Administrator is PARS; and

17 WHEREAS, since the inception of PARS, Bartel Associates, LLC ("Bartel")
18 has performed the actuarial function for PARS under a consolidated contract with PARS;
19 and

20 WHEREAS, the City of Long Beach (the "City"), PARS and Bartel desire to
21 segregate the services of Bartel into a contract separate from the City's contract with
22 PARS; and

23 WHEREAS, PARS will remain responsible for the day-to-day administration
24 of and record keeping for the Trust; and

25 WHEREAS, Bartel has assisted the City with California Public Employees
26 Retirement System ("CalPers") and PARS since 1992; is an expert in other Post
27 Employment Benefits and defined-contribution retirement plans, and is currently advising
28 the City in this area; is the premier actuarial services provider to cities, based on its

1 particular expertise on CalPers issues; and has proven to be an extremely valuable
2 resource for the City; and

3 WHEREAS, Bartel's expertise, experience and intimate knowledge of the
4 City uniquely qualify Bartel for this engagement;

5 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
6 follows:

7 Section 1. The above recitals are true and correct and are incorporated
8 herein.

9 Section 2. The City Manager is hereby authorized to enter a contract
10 with Bartel Associates, LLC for providing actuarial services for the Public Agency
11 Retirement System (PARS) Defined Benefits Plan Trust in an amount not to exceed
12 \$25,000 annually.

13 Section 3. This Resolution shall take effect immediately on its adoption
14 by the City Council, and the City Clerk shall certify the vote adopting this Resolution.

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I hereby certify that the foregoing Resolution was adopted by the City Council of the City of Long Beach at its meeting on _____, 2007, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664