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STATE OF HAWAII
EMPLOYEES' RETIREMENT SYSTEM

ADDENDUM NO. 1
to
Request for Proposals
for Actuarial Services
Employees' Retirement System
State of Hawaii

RFP ERS 2015-01
Dated
October 7, 2015

OFFERORS:

The following changes are made:

Section 6, Employees' Retirement System of the State of Hawaii, Summary of Current Actuary Contract Services and Costs, January 1, 2010-December 31, 2015:

B. The annual Base fee did not include Cost Studies. The fee for Cost Studies was \$1,500 each.

Revised Pages:

Please remove page 25 and replace with attached revised (Revised October 7, 2015) page

All other terms and conditions remain unchanged.



Employees' Retirement System
of the State of Hawaii

SECTION 6

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII

SUMMARY OF CURRENT ACTUARY CONTRACT SERVICES AND COSTS

January 1, 2010 – December 31, 2015

The following is a summary of the actuarial services provided for the current contract through August 31, 2015, and estimated amounts to December 31, 2015 (delivery of 2015 Valuation Report and related reports for GASB Statement No 67 and 68).

Calendar Year	Contract year	Base Fees	5 Year	Cost	ERS F/S -	Employer	Total for Year
			Experience Study	Studies	GASB 67	F/S - GASB 68	
2011	Year 1	\$90,000	\$35,000	\$129,000	\$0	\$0	\$254,000
2012	Year 2	\$90,000	\$0	\$58,500	\$0	\$0	\$148,500
2013	Year 3	\$90,000	\$0	\$7,500	\$0	\$0	\$97,500
2014	Year 4	\$90,000	\$0	\$9,000	\$0	\$0	\$99,000
2015	Year 5 to 8/31	\$60,000	\$0	\$3,000	\$7,500	\$15,000	\$85,500
	Year 5 from 9/1	\$30,000	\$0	\$0	\$7,500	\$15,000	\$52,500
Total		\$450,000	\$35,000	\$207,000	\$15,000	\$30,000	\$737,000

- A 5 Year Experience Study per contract.
- B The annual Base Fee did not include Cost Studies. The fee for Cost Studies was \$1,500 each. Calendar year 2011 and 2012 included a significantly higher number of cost studies than normal due to a significant decline in ERS funded status. Legislation was passed in 2011 and 2012 affecting employer contribution rates, and benefits for new members.
- C ERS implemented new GASB Statement No 67 reporting standards for FY 2014 and 2015.
- D Employer reporting for GASB Statement No 68 is responsibility of participating employers/component units. Report prepared for 10 component units. Employers are required to pay ERS; ERS is not required to pay the actuary until the ERS receives payment from the employers.
- E No hourly fees charged during current contract year.