

**CITY OF PHOENIX  
REQUEST FOR COUNCIL ACTION  
Complete this form per A.R. 4.11.**

**Refer to the City Council Agenda Process Reference Guide for Assistance**

<b>ACTION REQUESTED</b>	Formal Action: <input type="checkbox"/> Bid Award <input type="checkbox"/> License Application <input type="checkbox"/> Public Hearing <input type="checkbox"/> Other	OR	Legal Document: <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Amend City Code? <input type="checkbox"/> Resolution <input type="checkbox"/> Emergency Clause? (for use only w/ord. or res. requests)
<b>IMPACTED DISTRICT(S)</b>	CITYWIDE	<b>ADDITIONAL BACKUP MATERIAL SENT UNDER SEPARATE COVER?</b>	<input type="checkbox"/>
<b>SUBJECT</b>	CONTRACT FOR AN EVALUATION OF RETIREMENT PLANS		
<b>REQUESTED AGENDA DATE</b>	6/1/2011	<b>PREPARED BY</b>	Name: Randy Spenla Department: City Auditor Phone: 6-3276
<b>APPROVALS</b>	Division Head: Department Head:	Randy Spenla	If prepared for another department: Department Name: Retirement Systems Approval: Donna Buelow
<b>BID AWARD INFORMATION</b>	Bid Surety Required? <input type="checkbox"/> Submitted by Low Bidder? <input type="checkbox"/> Contract Required? <input type="checkbox"/>	Performance Surety Required <input type="checkbox"/> Amount? _____ Requisition No. _____	
<b>CONTRACT INFORMATION</b>	Contract Amendment? <input type="checkbox"/> If Yes, Current Contract No. _____ Approved by: Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> on Date: _____ Formal Action <input type="checkbox"/>		
<b>BUDGET INFORMATION</b>	\$ 200,000 Source of Funds: _____	To Be Encumbered? <input type="checkbox"/> Fiscal Year? _____	
	Fund Center(s) (SAP-FM): 2540300000 Commitment Item(s) (SAP-FM): 510025 Availability of Funds Approval: Rick Freas		
<b>CITY MANAGER'S OFFICE</b>	<b>Approved by</b> Rick Naimark 5/19/11		<b>CM Control No.</b> 50
<b>CITY CLERK DEPARTMENT</b>	Council Action Taken: Adopted with direction to staff Ordinance Number: S-37915 Resolution Number: _____ Comments: _____		
		RCA No. 66734 Contract No. _____ Meeting Date 6/1/2011 Item No. 41	

**ITEM****CITYWIDE****EVALUATION OF RETIREMENT  
PLANS**

Request authorization for the City Manager or his designee to enter into a contract with The Segal Company in an amount not to exceed \$200,000. Further authorization is requested for the City Controller to disburse funds for this contract. Segal will provide consulting and actuarial analysis for the Pension Reform Task Force appointed by the Mayor and City Council to recommend changes to the City of Phoenix Employees Retirement Plan (COPERS). The contract with Segal will include an evaluation of the financial impact of possible changes to plan provisions and alternative strategies for COPERS, and assess the financial impact to the City of changes by the State Legislature to the elected officials and public safety plans. Recommendations from the Pension Reform Task Force are expected prior to the end of calendar year 2011.

At the March 16, 2011 Formal Council Meeting, staff was authorized to issue Request For Qualifications (RFQ) for a consultant to study the Plans and evaluate alternative plan options. On April 26, 2011 the selection committee reviewed the Statement of Qualifications submitted by respondents and established a QVL. On May 5, 2011, the selection committee interviewed selected respondents from the QVL and chose The Segal Company to conduct the study of the Plans for the City.

**Financial Impact**

Funds are available in the 2010-11 and 2011-12 Human Resources Department budget.

**Recommendation**

This item is recommended by Mr. Naimark.

**Employment Impact**

This contract is estimated to create or retain up to three jobs.

**Concurrence**

The City Council Finance, Efficiency and Innovation Subcommittee will review this item at its May 25, 2011 meeting.

ORDINANCE S-37915

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH THE SEGAL COMPANY IN AN AMOUNT NOT TO EXCEED \$200,000, WHEREIN THE SEGAL COMPANY AGREES TO CONDUCT AN ACTUARIAL ANALYSIS OF THE CITY OF PHOENIX EMPLOYEES RETIREMENT PLAN (COPERS) FOR THE PURPOSE OF MAKING RECOMMENDATIONS TO THE CITY'S PENSION REFORM TASK FORCE, EVALUATING POSSIBLE CHANGES TO EXISTING COPERS' PROVISIONS, PROVIDING PLAN ALTERNATIVES, AND ASSESSING THE FINANCIAL IMPACT TO THE CITY OF CHANGES TO THE ELECTED OFFICIALS AND PUBLIC SAFETY PLANS; AND FURTHER AUTHORIZING THE CITY CONTROLLER TO RECEIVE AND DISBURSE THE NECESSARY FUNDS.

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BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX as

follows:

SECTION 1. The City Manager or designee is hereby authorized to enter into a contract with The Segal Company in an amount not to exceed TWO HUNDRED THOUSAND DOLLARS (\$200,000), wherein The Segal Company agrees to conduct an actuarial analysis of the City of Phoenix Employees Retirement Plan (COPERS) for the purpose of making recommendations regarding COPERS to the City's Pension Reform Task Force, evaluating possible changes to existing COPERS' provisions and providing plan alternatives. These consulting services also will include (i) an

assessment of the financial impact such changes and alternatives to COPERS would have on the City, and (ii) the financial impact to the City of changes made by the State Legislature to the elected officials and public safety retirement plans.

SECTION 2. The City Manager or designee is hereby authorized to execute any and all other documents and agreements and take any and all other actions necessary or appropriate to carry out the purposes of this Ordinance.

SECTION 3. The City Controller is authorized to receive and disburse the funds necessary to carry out this Ordinance.

PASSED by the Council of the City of Phoenix this 1st day of June 2011.

  
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MAYOR

ATTEST:

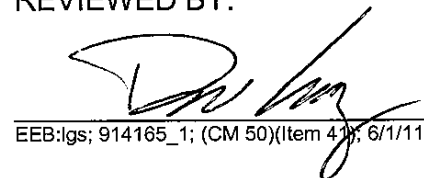
  
\_\_\_\_\_  
Acting City Clerk



APPROVED AS TO FORM:

  
\_\_\_\_\_  
Acting City Attorney *exhib*

REVIEWED BY:

  
\_\_\_\_\_  
City Manager

EEB:lgs; 914165\_1; (CM 50)(Item 4); 6/1/11