



## EXECUTIVE SUMMARY

**Pursuant to Broward College Policy 6Hx2-1.14 and Procedure A6Hx2-1.14, Dr. Donald Astrab exercised the authority delegated by the Board to execute the Florida College System Risk Management Consortium (FCSRMC) Actuarial Studies with CavMac for the Other Post-Employment Benefits (OPEB) report for Fiscal Year 2024-2025 in compliance with GASB 75. Estimated Contract Spend Amount: \$7,275.00, Estimated Cumulative Amount: \$0.00, Estimated Contract Revenue: \$0.00**

**Presenter(s): Rabia Azhar, Chief Financial Officer**

**1. Describe the purpose of this purchase of goods, services, information technology, construction, or use of space.** The Florida College System Risk Management Consortium (FCSRMC) is offering member colleges the opportunity to have actuarial studies conducted for Other Post-Employment Benefits (OPEB) in accordance with GASB 75. FCSRMC has engaged CavMac to perform these OPEB actuarial studies for member colleges, continuing a partnership that has been in place since 2011. CavMac is a premier actuarial consulting firm, established specifically to provide actuarial services to public sector entities. College needs to acquire the service to be in compliance with GASB 75 requirement.

**2. Describe the competitive solicitation method used or, if none, the exemption relied on for bid waiver.** The procurement process Category One (\$0.00 - \$10,000) per College Procedure A6Hx2-6.34 was used. There are no formal or informal competitive requirements for goods and services acquired by the College at this dollar threshold. Additionally, one quote was obtained, identifying the best value for the required commodity or service.

**3. Describe business rationale for the purchase and how it was procured.**

**(A) What is the benefit of the purchase. If there is an ROI, describe the ROI and how calculated.** The benefit of the service is to be in compliance with GASB 75.

**(B) How does the purchase support the Strategic Business Plan.** The contract will generate the College's OPEB report to ensure compliance with GASB 75 (Other Post-Employment Benefits).

**(C) If applicable, what is the rationale for the use of piggybacks, existing contract extensions, bid waivers in lieu of the College conducting a competitive solicitation.** Not applicable.

**(D) If a competitive solicitation process was conducted by the College, describe the process.** Not applicable.

**This Executive Summary is approved by:**

**Rabia Azhar**  
**Chief Financial Officer**



## MEMORANDUM

**Date:** November 2024

**Subject:** Actuarial Studies for Other Post Employment Benefits

The Florida College System Risk Management Consortium (FCSRMC) is offering member colleges a chance to have actuarial studies done for Other Post-Employment Benefits (OPEB) in accordance with GASB 75. OPEB includes such postemployment benefits as health, dental, vision, hearing and other health-related benefits (regardless of whether they are separate plans or provided through a defined benefit pension plan), as well as life insurance, long-term care and disability insurance when provided outside of a pension plan.

FCSRMC has re-engaged CavMac to conduct the OPEB actuarial studies for member colleges, extending a partnership that has been in place since 2011. CavMac is a premiere actuarial consulting firm, founded solely for the purpose of providing actuarial services to public sector entities (e.g., colleges, state and local governments).

**NOTE: You must complete ALL of the attached forms in order to participate.** The cost to your college and the procedures you must follow are outlined below. Colleges who directly participate in the FCSRMC health care plans ("Participating") have a reduced fee.

1. The fee structure for a June 30, 2024 actuarial valuation for all colleges will be:

Base Fee	Participating	Non-Participating
▪ Less than 200 total active and retired participants	\$5,750	\$6,275
▪ 200-499 total active and retired participants	\$6,050	\$6,575
▪ 500-999 total active and retired participants	\$6,400	\$6,925
▪ 1,000 or more total active and retired participants	\$6,750	\$7,275

The resulting fee schedule for each identified college is provided as Attachment A.

Because this valuation is an interim valuation and census information is not requested, there is no per-participant component for fees.

2. Colleges must return the attached Memorandum of Participation indicating your desire to participate, along with the checklist and all requested data. The anticipated schedule of activity and completion for each identified college is provided as Attachment B. In the event of schedule changes or delays in the receipt of data, valuations will be completed within 10 weeks of receipt of **all requested information**.
3. Colleges will receive copies of their actuarial reports directly from CavMac.
4. All invoicing and collection of fees will be performed by CavMac.
5. CavMac believes a basic amount of consulting is included in its fees and does not charge additional fees for basic questions or other support related to the project. Colleges may negotiate other services with CavMac outside the scope of the agreement. The hourly rates for consulting services are \$116 to \$396. Additionally, CavMac will be happy to provide a fixed-fee quote in advance.

**Note:** Unless CavMac has questions regarding your submission, you may not hear from them until you get your copy of the actuarial report. The main contact for CavMac is Nadia Williams [[NadiaW@cavmacconsulting.com](mailto:NadiaW@cavmacconsulting.com) or (678) 384-3970]. If you have questions, please feel free to contact Nadia.

## ABOUT CAVMAC

CavMac is a Florida Limited Liability Company founded in May, 2005 with offices located in Atlanta and Omaha. CavMac's primary business is providing actuarial and consulting services to state and local governmental entities. CavMac offers state and local governmental entities the experience and dedication they deserve in actuarial consulting services for their employee pension and benefit programs.

CavMac is staffed by seasoned consultants who are dedicated to serving public sector benefit plans. We are leaders in the public sector consulting community, providing thoughtful and innovative solutions that enable public sector benefit plans to thrive. We provide impartial advice and maintain our independence from political and other outside influences.

Our strengths include:

- Consultants with an average of more than 25 years of experience serving public sector benefit plans — the expertise and knowledge of our staff regarding public sector actuarial consulting is as great if not greater than any of our competitors.
- Service as the retained actuary for multiple statewide and municipal retirement and health care plans, including a partnership with FCSRMC since 2011.
- Strong ability to effectively communicate actuarial matters to Boards, staff and other constituents.
- Centralized production of technical work allowing for greater efficiency and cost-effectiveness in service delivery to our clients nationwide.
- An organizational structure that allows flexibility to meet client needs and to provide a high level of client/staff interaction.

These strengths drive our success and make us the leading public sector actuarial consultants in the country. We are committed to maintaining our focus and building on our success.

Our primary business is the provision of actuarial and consulting services to state and local government pension and benefit plans. In fact, we work only for state and local government pension and benefit plans. The consulting services we provide our clients encompass the following areas and topics:

- Pension Valuations
- Detailed Gain and Loss Analysis
- Analysis of Proposed Legislation
- Legislative Testimony
- Impact of Re-Employment of Retirees
- Experience Studies
- Asset Liability Forecasting
- DROP, PLOP and Early Retirement Incentive Plans
- Expense and Disclosure Requirements of GASB 16, 67, 68, 74, and 75
- Medicare Part D (e.g., Retiree Drug Subsidy actuarial equivalency testing)
- Retiree Health Care Valuations
- Health Care Consulting
- Plan Design Work
- Assistance with Policy Considerations
- Knowledge of National Public Sector Trends
- Benefit Calculations
- Individual Employee Benefit Statements
- Board of Trustee Educational Seminars
- Compliance Reviews
- Tax and Legal Issues
- Communications to Members and Other Constituents
- Organizational Effectiveness
- Deferred Compensation Consulting

Additional information regarding CavMac's staff, services, clients, and capabilities can be found on the internet at [www.CavMacConsulting.com](http://www.CavMacConsulting.com).

**ATTACHMENT A**  
**FEE SCHEDULE FOR JUNE 30, 2024 ACTUARIAL VALUATIONS FOR**  
**FCSRMC VALUATIONS**

<b>College</b>	<b>FCSRMC "Participating" Status</b>	<b>Participant Count*</b>	<b>Valuation Fee</b>
Broward College	Non-Participating	1,498	\$ 7,275.00
Chipola College	Participating	177	\$ 5,750.00
College of Central Florida	Participating	418	\$ 6,050.00
Daytona State College	Participating	859	\$ 6,400.00
Eastern Florida State College	Participating	708	\$ 6,400.00
Florida SouthWestern State College	Participating	648	\$ 6,400.00
Florida Gateway College	Participating	208	\$ 6,050.00
The College of the Florida Keys	Participating	104	\$ 5,750.00
Florida State College at Jacksonville	Participating	1,300	\$ 6,750.00
Gulf Coast State College	Participating	418	\$ 6,050.00
Hillsborough Community College	Non-Participating	1,257	\$ 7,275.00
Indian River State College	Participating	812	\$ 6,400.00
Lake-Sumter State College	Participating	249	\$ 6,050.00
Miami Dade College	Non-Participating	2,783	\$ 7,275.00
North Florida Community College	Participating	111	\$ 5,750.00
Northwest Florida State College	Participating	272	\$ 6,050.00
Palm Beach State College	Participating	1,205	\$ 6,750.00
Pasco-Hernando State College	Participating	497	\$ 6,050.00
Pensacola State College	Participating	605	\$ 6,400.00
Polk State College	Participating	517	\$ 6,400.00
St. Johns River State College	Participating	362	\$ 6,050.00
Saint Petersburg College	Participating	1,220	\$ 6,750.00
Santa Fe College	Participating	783	\$ 6,400.00
Seminole State College of Florida	Participating	723	\$ 6,400.00
South Florida State College	Participating	281	\$ 6,050.00
State College of Florida, Manatee-Sarasota	Participating	611	\$ 6,400.00
Tallahassee Community College	Participating	733	\$ 6,400.00
Valencia College	Non-Participating	1,862	\$ 7,275.00

\*Pricing based upon the active employee, retiree, and surviving spouse counts as of the July 1, 2023 valuation.

## ATTACHMENT B

### PROJECT TIMELINE FOR JUNE 30, 2024 FCSRMC VALUATIONS

College	Memorandum of Participation and Requested Data Returned to CavMac	Valuation Questions to College (if any)	Valuation Complete
College of Central Florida Florida Gateway College Florida Keys Community College Florida State College at Jacksonville North Florida Community College Pensacola State College Santa Fe College St. Johns River State College Northwest Florida State College	December 13, 2024	January 10, 2025	February 7, 2025
Chipola College Daytona State College Indian River State College Lake-Sumter State College Palm Beach State College Pasco-Hernando State College Polk State College Seminole State College of Florida South Florida State College	January 10, 2025	February 7, 2025	March 7, 2025
Broward College Eastern Florida State College Florida SouthWestern State College Gulf Coast State College Hillsborough Community College Miami Dade College Saint Petersburg College State College of Florida, Manatee-Sarasota Tallahassee Community College Valencia College	February 7, 2025	March 7, 2025	April 4, 2025



**2024 MEMORANDUM OF PARTICIPATION  
 OTHER POST-EMPLOYMENT BENEFITS (OPEB)**


**COLLEGE:** BROWARD COLLEGE  
**MAILING ADDRESS:** 6400 NW 6TH WAY  
**CITY:** FT. LAUDERDALE **ZIP CODE:** 33309  
**NAME:** DONALD ASTRAB **PHONE #:** (954) 201-8801  
**TITLE:** INTERIM PRESIDENT AND EXECUTIVE VICE PRESIDENT, CHIEF OPERATING OFFICER  
**E-MAIL ADDRESS:** DASTRAB@BROWARD.EDU

On behalf of the College noted above, we have agreed to engage CavMac to perform an actuarial valuation of the College's OPEB plan through the Joint Actuarial Study Program offered through the Florida College System Risk Management Consortium (FCSRMC). I understand that CavMac has been selected as the actuarial firm to perform the studies and may contact us to get additional information as needed.

I understand that **the College will be invoiced by CavMac** and copies of the actuarial report will be delivered to us by CavMac. The fees for the College will be based upon the College's employee, retiree, and surviving spouse population as of the July 1, 2023 valuation date, as well as the College's participation in the FCSRMC medical plans. I understand that the fee structure is as follows:

	Participating	Non-Participating
<b>Base Fee</b>		
▪ Less than 200 total active and retired participants	\$5,750	\$6,275
▪ 200-499 total active and retired participants	\$6,050	\$6,575
▪ 500-999 total active and retired participants	\$6,400	\$6,925
▪ 1,000 or more total active and retired participants	\$6,750	\$7,275

Colleges must return this 2024 Memorandum of Participation indicating their desire to participate, along with all requested data, as outlined on the following page. The OPEB valuations will be completed in accordance with the agreed upon schedule, or, in the event of schedule changes or delays in the receipt of data, within **10 weeks after the receipt of all items requested on the following pages**. You may need to discuss the timing with your auditor. Please let CavMac know if your college needs the valuation report sooner than the scheduled timeframe.

  
 Authorized Signature

Signed this 05 day of February, 2025

**E-mail a scanned copy of the completed form to:  
[NadiaW@cavmacconsulting.com](mailto:NadiaW@cavmacconsulting.com)**

Should you have questions regarding the information requested in this letter, please contact **Nadia Williams** ([NadiaW@cavmacconsulting.com](mailto:NadiaW@cavmacconsulting.com)) at (678) 384-3970.



## INFORMATION COLLECTION CHECKLIST FOR OPEB VALUATION

COLLEGE NAME: \_\_\_\_\_

Please provide a completed copy of this checklist with your submission to indicate the items being sent and the work being requested. This will help us verify receipt of all information and to be sure nothing was lost in transit.

**I. Indicate the work being requested through this agreement (choose all that apply):**

- June 30, 2024, GASB 75 valuation report which will provide information for June 30, 2025 disclosure. This report will use the June 30, 2023 OPEB valuation prepared by CavMac as the basis. Liabilities will be re-measured and rolled forward to June 30, 2024.
- Provide additional information related to a split of the liabilities, OPEB expense or proportionate share amounts for the component units. Additional fees will apply based on our hourly rates.

**II. Check the boxes below to indicate which items are included in this submission.** If multiple submissions are needed because some of the information is not immediately available, please provide an updated checklist with each submission.

- Executed 2024 Memorandum of Participation (MOP)
  - Have the plan provisions changed since the prior valuation?  **Yes**  **No (choose one)** If yes, please provide the new plan provision information detailing the new OPEB benefit eligibility conditions. Please note, the roll forward method mentioned above may not be allowed. If this is the case, we will contact you regarding a full valuation. Normal variations in premium/costs is not considered a plan change for this purpose. A plan change would be a change to the eligibility requirements, or switching from one broad plan type to another (eg, PPO to HMO).
  - What is the value of administrative expenses to include in the OPEB cost? \$ 7,275.00. Please enter a value, even if the amount is \$0, and do not leave blank. This can include anything paid directly on behalf of retirees, including any actuarial fees, for the period July 1, 2023 through June 30, 2024. Note that if this amount has already been booked elsewhere, they should not be included again here.
  - If you would like CavMac to include an amount for any contributions subsequent to the measurement date (in this case, contributions between July 1, 2024 and June 30, 2025) his information will not be available until after June 30, 2025, so we can put a "TBD" in the report for this item and drop it in at a later date when it becomes available. Note that if your plan is fully-insured and access-only (that is, retirees are paying the full premium) then you do not need to submit anything, as the only contribution will arise from the implicit subsidy, which we will calculate for you based on the prior valuation.
- Is this plan fully-insured and access-only?  **Yes**  **No (choose one)** If no, please provide any claims and/or premiums paid for the fiscal year ending June 30, 2025 when they become available. A template is provided for your convenience.

**PLEASE RETURN ALL NECESSARY MATERIALS INDICATED, INCLUDING THE INFORMATION COLLECTION CHECKLIST TO:**

VIA E-MAIL:  
[NadiaW@cavmacconsulting.com](mailto:NadiaW@cavmacconsulting.com)