

**Date:** March 18, 2026  
**To:** Board of Retirement  
**From:** Doris L. Rentschler, Executive Director  
**Subject:** Consulting Actuary Request for Proposal (RFP) Recommendation and Actuarial Audit Update

**Recommended Action:**

Provide direction to staff regarding selection of consulting actuary services following RFP. Options are listed below:

- Direct staff to engage Cheiron for consulting actuary services as recommended by the RFP Review Committee based on responses to MCERA's Consulting Actuary RFP and schedule the next actuarial audit to occur in 2029 reviewing the 2028 valuation and triennial experience study.

Alternate direction:

- Direct staff to invite two finalists for interviews with the full board.

**Fiscal and Financial Impacts:**

Based on Cheiron's fixed fee pricing proposal, MCERA will see a reduction in cost compared to the current actuarial fees and will save between \$150,000 - \$200,000 over the 5-year term of the contract by changing actuaries.

**Strategic Plan Importance and Risk Assessment:**

While not tied to the Strategic Plan goals, MCERA is required by the CERL to have an actuarial valuation performed annually.

**Background and Discussion:**

Following Board direction, on January 12, 2026, MCERA issued a Request for Proposals for Consulting Actuary services. MCERA received 5 proposals from national actuarial firms. All responding firms were well qualified. The RFP Review Committee, which included Chair Land, Trustee Swope, the Executive Director and the RFIO, met on March 3<sup>rd</sup> to discuss the proposals. Based on the review of the proposals, firm/team qualifications and price/value, the committee decided not to perform finalist interviews and recommends Cheiron be engaged as MCERA's consulting actuary.

MCERA is familiar with Cheiron's work product since they served as MCERA's Auditing Actuary for the last two actuarial audits. MCERA staff were happy with Cheiron's services and timeliness of

their work. Cheiron should easily transition to being MCERA's consulting actuary based on their past working relationship with MCERA and experience in working with many other 37 Act systems.

Cheiron's fixed fee proposal was in the lower range of proposals received and significantly lower than the highest fee proposal from our current provider. MCERA staff have been pleased with the service of our long-time provider, Segal Co., and this change is in no way a reflection of the quality of their work. However, the Cheiron proposal provided superior value.

**Actuarial Audit:** MCERA's last actuarial audit was completed in 2023 with a replication of the June 30, 2022 valuation and a review of the experience study covering the period July 1, 2019 through June 30, 2022. MCERA's actuarial funding policy requires a level 1 audit at least every 5 years and is typically scheduled to coordinate with a review of the triennial experience study. MCERA is currently undertaking an experience study of the period July 1, 2022 through June 30, 2025. The transition of actuarial services to a new consulting actuary includes a replication of the prior year's valuation. Given the replication during the transition, I recommend the next actuarial audit be completed in 2029 after the June 30, 2028 valuation and the triennial experience study reviewing July 1, 2026 through June 30, 2028.