LIVINGSTON COUNTY FISCAL SERVICES
LIVINGSTON COUNTY, MICHIGAN
304 E. Grand River Ave., Suite 204 | Howell, MI 48843
Phone: 517.540.8740

RFP-LC-26-02
Pension Actuarial Audit and Actuarial Report

ADDENDUM #3

The purpose of this addendum is:

- the Resolution authorizing the posting of RFP

The bid due date remains April 8, 2026 by 2:00 p.m. EST.

ACCEPTANCE/ACKNOWLEDGEMENT OF ADDENDUM #3

RFP-LC-26-02
Pension Actuarial Audit and Actuarial Report

To be signed and returned with proposal submission.

Company:	Date:
Authorized Signature:	
Printed:	

RESOLUTION **NO:** **2026-02-021**

LIVINGSTON COUNTY **DATE:** **February 23, 2026**

Resolution Authorizing the Retention of an Independent Actuarial Consultant For Pension Debt Forensics and Strategic Oversight – Board of Commissioners

WHEREAS, Livingston County is committed to the highest level of fiduciary responsibility and transparency regarding the management of taxpayer funds and pension obligations; and

WHEREAS, recent County-led investigations have confirmed that the Municipal Employees' Retirement System (MERS) assesses a **6.93% annual interest charge** on the Unfunded Accrued Liability (UAL), a cost not explicitly detailed in standard annual reports; and

WHEREAS, Livingston County is currently driving the strategic transfer of approximately **$23.7 million** in Surplus Division assets to Employee Divisions to mitigate these interest costs—an initiative necessitated by the County's own financial analysis rather than MERS guidance; and

WHEREAS, the County has identified a critical need for an independent, proactive fiduciary to quantify the dollar impact of missed actuarial assumptions, evaluate the effect of overtime on debt growth, and identify hidden costs such as negative amortization; and

WHEREAS, MERS's historical reporting has been descriptive of past events but has failed to provide the prescriptive, actionable guidance necessary for the County to aggressively reduce its pension debt; and

WHEREAS, the cost of this independent oversight shall be funded through the substantial interest savings realized by the County's recent transfer of surplus assets.

WHEREAS, that the funding for these services will be allocated from the interest savings generated by the Surplus Division asset transfer, ensuring this vital oversight is conducted with no additional net burden to the taxpayers.

NOW, THEREFORE, BE IT RESOLVED that the Livingston County Board of Commissioners hereby authorizes County Administration to issue a Request for Proposal (RFP) with five (5) one-year renewals, for Independent Fiduciary Actuarial Consulting Services with funding targeted from Fund 677 County Benefit Fund.

BE IT FURTHER RESOLVED that the selected consultant shall be tasked with:

1. Quantifying the specific dollar value of missed actuarial assumptions.
2. Determining the exact impact of overtime on the UAL.
3. Conducting a forensic audit of current and past five years of MERS valuations to identify unfavorable financial structures.
4. Providing a prescriptive "Plan of Action" following the release of the 2025 MERS Annual Report.
5. Providing an annual analysis and prescriptive "Plan of Action" following the release of the MERS Annual Reports for the years 2026-2029.

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MOVED: **D. Helzerman**
SECONDED: **D. Domas**
CARRIED: **Yes (9): N. Fiani, J. Drick, D. Helzerman, D. Domas, F. Sample, W. Nakagiri, R. Deaton, M. Paunovich, and J. Gross; No (0): None; Absent (0): None**