

Original

CITY OF GAINESVILLE

Gainesville.
Citizen centered
People empowered

RFP No. FPEN-180084-DH

**Proposal to Provide Actuarial Services
For Pension and Retiree Health Plans**

Boomershine Consulting Group
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June, 2018

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Letter of Transmittal

June 21, 2018

Ms. Diane Holder, Senior Buyer
Procurement Division
City of Gainesville
200 East University Avenue
Room 339
Gainesville, FL 32601

Re: City of Gainesville Request for Proposal for Actuarial Services No. FPEN-180084-DH

Dear Ms. Holder:

We are pleased to present our proposal to the City of Gainesville (“City”) to provide services as an independent consulting actuary for the City’s Pension and Retiree Health Plans.

A few of the advantages of working with BCG include:

Proven Performance and Institutional Knowledge

Our history of similar actuarial analysis and breadth of experience will ensure an efficient and timely transition and valuation process. Our responsiveness and communications have been beneficial and meaningful for all of our clients, as you will find through our references.

Significant studies we have completed for the many other similar clients include:

- Annual valuations for pension and OPEB
- Development and revision of Funding Policy
- Comprehensive Assumption Review
- Analysis relating to collective bargaining and benefit changes
- Projections and risk analysis
- Special presentations
- Implementation of GASB 67, 68, 74, and 75
- Benefit Statements

Quality and Experience of Actuarial Team

BCG offers an experienced actuarial consulting team with a long history of working together. We operate a small office, and all staff members work together on a frequent, often daily basis. We have robust data processing and OPEB capabilities, and provide full actuarial services to many public sector plans similar to the City’s plans.

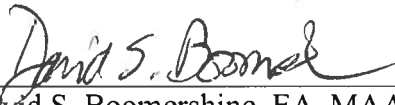
Strategic Partnership

We view ourselves as the Pension and OPEB Board's long term strategic actuarial partner. We understand the many issues faced by public pension and retiree healthcare systems, and can provide valuable insight regarding the management of these issues. We accomplish this with clear communication, responsiveness, and frequent interaction and collaboration with the City and Plan administrator.

Boomershine Consulting Group (BCG) not only understands the trends and issues, we take seriously the crucial challenges currently facing governmental plan sponsors and retirement plans.

As a client you benefit from our many years of major consulting firm expertise and experience, but with the cost-efficiency that large firms can't deliver. We have no salesmen, no layers of management and therefore no inflated cost structure. We believe long-term solutions can be found by in-depth actuarial analysis and good communications.

The point of contact and primary service provider for the City will be our Chief Actuary, Mr. Greg Stump.



David S. Boomershine, EA, MAAA, FCA, MSPA
President and Senior Actuary

Background

We understand that the City of Gainesville (“City”) is considering this proposal for on-going annual actuarial services for the Pension Plan and the equivalent services for the Retiree Health fund.

We believe that the City is seeking an actuarial consulting firm that will:

- Review and advise on the entire retirement program;
- Provide on-going actuarial valuations and accounting determinations; and
- Deliver consistent consulting services

More important, the consultant must:

- Provide the highest quality, reliable service;
- Be responsive to your needs on an appropriate service level and in a timely manner; and
- Become an extension of your management team and advise you accordingly, assuring that the retirement program meets the objectives for delivering meaningful benefits to employees at reasonable costs, and complies with all federal laws and regulations;
- Provide independent, objective and proactive input to the decision making process.

We understand that you seek a fee quote for the following annual ongoing services for the Plans:

SCOPE OF SERVICES

A. INTENT

It is the intent of the City of Gainesville to obtain proposals for actuarial services related to the City of Gainesville General Employees’ Pension Plan and the City of Gainesville Retiree Health Insurance Trust Fund (hereafter referred to as “Plans”).

The City is seeking professional services for all required GASB reporting, actuarial funding valuations, actuarial impact statements, and retiree calculation verifications related to the Plans. The City also requires actuarial services associated with plan design modifications, plan liability projections and funding forecasts and policy development.

B. MINIMUM REQUIREMENTS

Actuarial service providers must qualify as an enrolled actuary (i.e., member of the Society of Actuaries or the American Academy of Actuaries and enrolled under subtitle C of Title III of the Employee Retirement Income Security Act of 1974).

Actuarial service providers must be able to provide full actuarial services and ongoing consulting services.

Actuarial service providers must have the capacity to provide such services on a timely basis. The City will not be liable for any costs incurred in the preparation of proposals or associated travel costs. The candidates shall furnish the City with such additional information as they may reasonably require.

Actuarial service providers must be free of any obligations and interests which might conflict with the interests of the City of Gainesville.

We address these services in the following sections, as requested.

Technical Proposal

The technical proposal is a narrative which addresses the scope of work, the proposed approach to the work, the schedule of the work, and any other information called for by the RFP which the proposer deems relevant.

Actuarial Valuations

Following is a description of the steps included in completing the actuarial valuation process for the Pension Plan and Retiree Health Plan.

We will apply standard actuarial methodology and assumptions for the valuation analysis. The resulting valuation will develop and determine unfunded actuarial liabilities and annual required contribution amounts.

Step One - Initial Planning

We will meet with the City and Administrator to review the technical approach, discuss the major background issues relevant to the project, and identify data requirements.

Step Two - Data Request/Accumulation

Data for active employees and inactive participants will be requested. This data will include demographic details on each employee who has potential to receive the relevant benefits upon reaching retirement. These details will include birth date, hire date, gender, salary and type of coverage. Other relevant documents that we have accumulated will also be used for reference.

Step Three – Analyze and Reconcile Data

Demographic data will be analyzed and reconciled and reviewed for any material changes from prior years in the active and retired employee populations that were anticipated or can be explained.

Step Four – Set Actuarial Assumptions

We will consult with the City on the necessary economic assumptions needed for the valuation, especially the investment return assumption. All other (mostly demographic) assumptions are to be reviewed every five years through a comprehensive experience study (next in 2019/2020).

Step Five – Update the Computer Model

We will update our computer valuation model with new data, assumptions, and any other changes that have occurred since the prior valuation. This also includes updating our projection model to suit the needs of the City. This is not an additional project, but rather considered a crucial part of the annual actuarial valuation services.

Step Six – Initial Calculations and Valuation Results

The participant data and the assumptions developed in Step Four will be run through the computer model to generate the various liabilities and annual cost amounts required.

All calculations and results are completed, checked, and peer reviewed by a qualified actuary to ensure the quality and accuracy of the valuation results.

Step Seven – Presentation and Discussion of Results

We will consolidate the initial results into tables that will be in the same format as will be used for the final report. These results will be presented, reviewed and discussed with the City. Included in this review will be a discussion regarding the amortization of unfunded liabilities, as well as key economic assumptions and their impact.

Step Eight – Valuation Reports

Once we have reviewed the results and addressed any issues, we will provide final reports. These reports will be customized to meet the needs of the City and boards.

The Valuation Reports will include all of the information that has historically been provided, as well as any additional analysis that is requested (e.g., risk assessments).

Separate reports will also be provided for compliance with GASB 67/68 and GASB 74/75.

Other Services

We anticipate that all necessary actuarial computations will be included in the Valuation and GASB Reports; however, we are also ready to provide any supplementary information or additional assistance on an as-needed basis – as follows:

- Prepare actuarial impact statements as necessary.
- Perform five-year actuarial experience study upon request.
- Provide telephone consultation on plan matters.
- Assist staff with necessary presentations
- Review the calculation of individual member retirement estimates as needed.
- Prepare special projects or special actuarial studies as requested.
- Projections of funding requirements and contributions under various scenarios.

We will partner with the City in performing the actuarial services needed. This means complying with all of the noted Services in the RFP and completing them on an as-needed basis.

Proposed Annual Timeline

Month	Meeting with City	Projects Underway	Activities
October	<u>Meeting #1: Annual Preview;</u> Risk assessment and review of policies; future outlook	Review of Current Status and Assumptions; Valuation Setup	Collection of financial data and member data; 6/30 GASB 67/68/74/75 Reports
November – December			Reconcile any data issues; finalize database/updates
January – March	<u>Meeting #2: Valuation Review;</u> Review of valuation results, gain/loss analysis; updated future outlook	Pension/OPEB Valuations	Finalize valuation results, produce reports and illustrations
April - September	Preparation for following year's valuation and other projects, any special meetings		

The schedule above can be revised and/or adjusted according to the needs of the Plans

Price Proposal

The price proposal is a presentation of the proposer's total offering price including the estimated cost for providing each component of the required goods or services. Please include pricing for the following specific services:

***GENERAL EMPLOYEES' PENSION PLAN Annual GASB 67 & 68 - Starting FY2018
Annual Actuarial Funding Valuations - Starting FY2018
Florida Statute 112.664 Disclosure - Starting FY2018
Experience Study – FY2019 - FY2020
Benefit Calculations
Hourly Rates***

***RETIREE HEALTH INSURANCE TRUST FUND
Annual GASB 74 & 75 - Starting FY2018
Bi-Annual Actuarial Funding Valuations - Starting FY2019
Hourly Rates***

Proposers should indicate the dollar amount which will be attributed to each sub-contractor, if any.

If a prescribed format for the price proposal is appended, proposers must use it; otherwise, proposers may use formats of their choice.

We design our fee structures to meet the needs of the client's preferences. This is often a fixed fee arrangement, especially for large, recurring projects such as the annual valuation. However, special requests and ad hoc projects inevitably arise during the course of an actuarial contract. The method that we prefer is to first discuss with the client what specifically is needed. For more complex projects, this should involve a planning session to outline goals and objectives.

Secondly, we issue a brief project plan outline and fee estimate (including not-to-exceed amount) to be signed by the client. This outline will also specify the timing of any and all deliverables. We have found that this approach is very effective in providing relevant, meaningful analysis to our clients while allowing them to avoid any "surprise fees".

For the services listed in this proposal, our proposed fees are as follows:

Pension Plan	
Annual Actuarial Valuation, including routine services and two meetings annually (includes expenses) – FY2018	Funding valuation: \$23,500 GASB 67/68 Report: \$9,500 Florida Statute Disclosure: \$4,500
Actuarial Experience Study (if needed) – FY2019-2020	\$13,500
Benefit calculations, as needed	\$250 per calculation

Retiree Health Plan	
Annual GASB 74/75, Bi-Annual Funding Valuations – FY2018 and FY2019	Funding valuation: \$19,500 GASB 74/75 Report: \$5,500

There are no fees charged for the transition or set-up work. We consider this our investment to begin our working relationship with you.

Any other work will be charged on a time and expense basis, at our standard hourly rates. If any project arises that is not covered in this proposal, we will provide a fee estimate before the work starts. This could include actuarial impact statements, benefit or other studies.

Any significant additional studies or consulting projects will be identified and estimated fees will be provided before commencing the work. We provide very high quality services at reasonable fees. The experience of our staff and leadership team allows us to work with great efficiency, to the benefit of all of our clients.

Staff Role	Hourly Rate
Chief/Senior Actuary	\$ 385
Actuary	\$ 265
Senior Consultant	\$ 225
Actuarial Analyst	\$ 195
Administrative Staff	\$ 90

BCG Qualifications

Include a description of the experience, qualifications including any minimum qualifications, financial stability, recent references of the proposer's performance on contracts of similar scope and size required. A specific format may be required of the proposers. Experience may be included as the number of years, level of technical knowledge, educational degrees and certifications required. Financial stability may be determined by requesting the proposers most recent financial statement, certified audit, balance sheet, or evidence of bonding capacity. Include the following:

Actuarial staff experience and certifications.

Client list and references, including experience with Florida local law public pensions.

Recent financial statements if available.

BCG is a Maryland Limited Liability Company (LLC) founded in April 2007, by David S. Boomershine. The first priority of the new firm was the acquisition of Yaffe & Company's Actuarial Division, which has been providing actuarial consulting services in the mid-Atlantic region for over 25 years. Therefore, the Firm has been in existence for about 30 years. Depth in expertise and experience in alternative retirement plan designs has been a hallmark of the firms. We do not have any parent, affiliated or subsidiary company, or any business partners.

Our work with government and corporate clients for both Pension and OPEB Plan issues has included the following significant issues beyond the primary actuarial valuation process:

- GASB compliance and reviews
- Compliance with applicable legislation
- Plan design review, including defined benefit (DB), defined contribution (DC) and hybrid plan alternatives
- Implementation and communication of plan design changes
- Annual plan benefit communications
- Actuarial assumption and method reviews and changes
- Cost and liability forecasting
- Plan administration

Our actuarial staff resources provide full services to private sector and public sector clients and are cognizant of the particular needs of government plans.

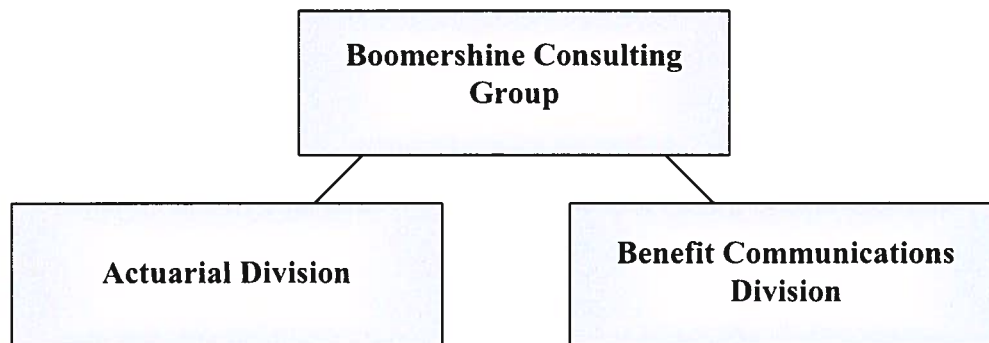
Our on-going actuarial staff research and education include tracking public sector/governmental plan issues in the actuarial and public sector literature sources, including: NCPERS, GFOA, GASB and NASRA sources, as well as many other sources. Dave Boomershine and Greg Stump have also made numerous presentations at regional and national conferences on retirement benefits, as well as local radio interviews. BCG maintains a professional continuing education program for employees; supporting professional conference attendance, webinar and other education sessions – this is a continuing effort.

We also produce a monthly newsletter, called BCG Retirement News Roundup, which is a compilation of current pertinent articles and includes a section on public sector issues.

BCG also provides benefit communications services and consulting, including individualized annual employee benefit statements.

BCG has significant experience with pension plans and retiree healthcare/OPEB plans for public entities, as noted in the listing of engagements below.

Following is our firm's organizational chart.



Our team model is simple – we are all client consultants, here only to help clients with their actuarial and retirement plan needs. This cost effectiveness is passed on to our clients. The message is also simple – our focus is our clients.

BCG has established a set of principles as the foundation for the services that we provide to our clients. This is summarized in our Mission Statement:

We strive to provide independent, innovative and professional actuarial and retirement plan services of the highest standards. Our clients are our focus. We pledge to listen and respond in a timely manner and cost-effective basis

The translation of these principles is that we simply take great pride in our:

Independence – We provide objective solutions, based on sound actuarial principles and impartial advice that always places the client's best interest first.

Expertise – We possess a depth of professional actuarial and plan administration knowledge that is acquired only through years of experience in the field.

Experience – In addition to our wealth in years with the many facets of actuarial consulting and retirement plan administration, we also provide comprehensive services to all types of employers in the private, public and non-profit sectors, small, medium and large. Examples include corporations, healthcare organizations, government entities and associations.

Quality – We consistently deliver precise, timely accurate reports and consulting services in accordance with the high standards and requirements of the American Academy of Actuaries (AAA), the American Society of Pension Professionals and Actuaries (ASPPA), the Society of Actuaries (SOA) and the Conference of Consulting Actuaries (CCA).

Commitment – We know how to listen, what the current issues are and what questions to ask. We are determined to develop individually tailored solutions that meet clients' goals.

BCG and our credentialed actuaries meet the high professional industry standards and requirements of the American Academy of Actuaries (AAA), the American Society of Pension Professionals and Actuaries (ASPPA), the Society of Actuaries (SOA) and the Conference of Consulting Actuaries (CCA).

Significant senior consultant/actuary recommendations and communications are peer reviewed, including consistency, before delivery to clients.

All actuarial calculations are prepared and released to clients only after completing the following quality control steps:

- Completion of calculation
- Checking of calculation
- Senior actuarial review of calculation

BCG provides professional independent actuarial consulting services to clients; this is our primary business. BCG currently has 13 professional employees, including 4 credentialed actuaries. The work for this assignment will be completed in the Ellicott City office (this is our only location).

The supervising actuary for the City will be:

Gregory M Stump, FSA, EA, MAAA, FCA

Vice President and Chief Actuary

gstump@boomershineconsulting.com

Phone: 410-418-5591

Fax: 410-418-5644

Greg has attained the following professional actuarial credentials:

- Enrolled Actuary (EA)
- Fellow of the Society of Actuaries (FSA)
- Member of the American Academy of Actuaries (MAAA)
- Fellow in the Conference of Consulting Actuaries (FCA)

Additional consulting actuaries assigned to this case include:

David S. Boomershine

Senior Actuary and President
dboomershine@boomershineconsulting.com
Phone: 410-418-5567
Fax: 410-418-5564

David has attained the following professional actuarial credentials:

- Enrolled Actuary (EA)
- Member of the American Academy of Actuaries (MAAA)
- Fellow in the Conference of Consulting Actuaries (FCA)
- Member of the American Society of Pension Professionals and Actuaries (MSPA)

Sunita K. Bhatia

Senior Consultant/Actuary
sbhatia@boomershineconsulting.com
Phone: 410-418-5529
Fax: 410-418-5644

Sunita has attained the following professional actuarial credentials:

- Enrolled Actuary (EA)
- Associate of the Society of Actuaries (ASA)
- Member of the American Academy of Actuaries (MAAA)
- Member in the Conference of Consulting Actuaries (ACA)

Boomershine Consulting Group is involved with providing actuarial services for the following governmental entities:

Client Name	Services Provided
Allegany County, MD	Pension, OPEB, Special Studies
Butler County Employees Retirement System, PA	Pension, Special Studies
City of Aberdeen, MD	OPEB, Financial Reporting
City of Annapolis, MD	Pension, OPEB, Special Studies
City of Burlington, KS	OPEB, Financial Reporting
City of Colonial Heights, VA	OPEB, Financial Reporting
City of Colonial Heights Public Schools	OPEB, Financial Reporting
City of Danville, VA	Pension, OPEB, Special Studies
City of Ferguson, MO	Pension, OPEB, Special Studies
City of Lansing, MI (2 plans)	Pension, OPEB, Special Studies
City of Lynchburg, VA	OPEB, Financial Reporting
City of Winston-Salem, NC (2 plans)	Pension, OPEB, Special Studies
College of Southern Maryland, MD	OPEB, Financial Reporting
Delaware River and Bay Authority, DE	Pension, OPEB, Special Studies
Douglas County, KS	OPEB, Financial Reporting

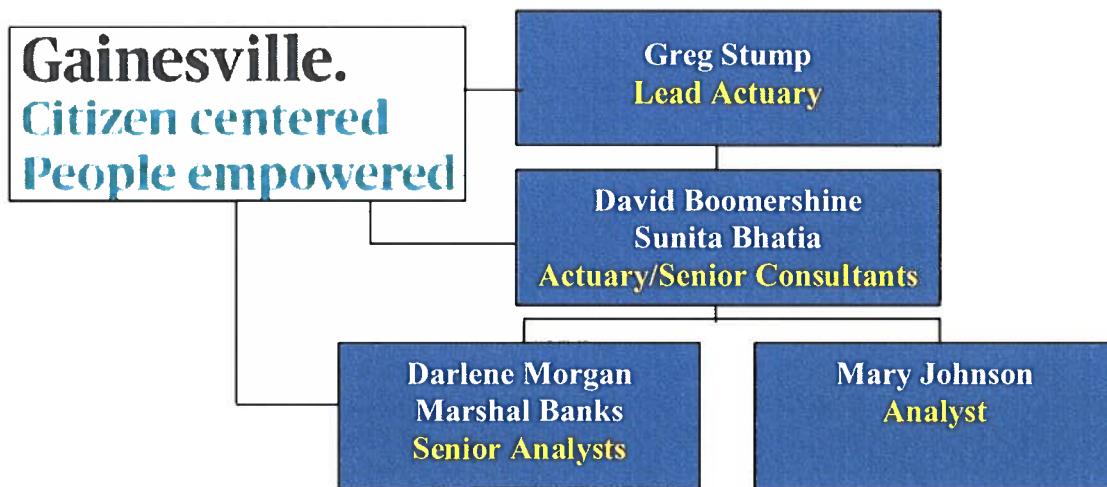
Client Name	Services Provided
Easton Utilities, MD	Pension, OPEB, Special Studies
Loudoun County, VA	OPEB, Financial Reporting
Luzerne County Employees Retirement System, PA	Pension, OPEB, Special Studies
Maryland-National Capital Park and Planning Commission	Pension, Special Studies
New Castle County, DE	Pension, OPEB, Special Studies
Newport News Public Schools, VA	OPEB, Financial Reporting
New River Valley Water, VA	OPEB, Financial Reporting
Prince George County, VA	OPEB, Financial Reporting
Prince George County Public Schools	OPEB, Financial Reporting
Queen Anne's County, MD	OPEB, Financial Reporting
Rochester Genesee Regional Transportation Authority (4 plans), NY	Pension, OPEB, Special Studies
Southampton County, VA	OPEB, Financial Reporting
Southampton County Schools	OPEB, Financial Reporting
Town of Bel Air, MD (2 plans)	Pension, OPEB, Special Studies
Town of Easton, MD	Pension, OPEB, Special Studies
Town of Greenwich, CT	Pension, OPEB, Special Studies
Town of Leesburg, VA	OPEB, Financial Reporting
Town of Vienna, VA (2 plans)	Pension, OPEB, Special Studies
Township of Independence, MI	OPEB, Financial Reporting
Township of Marple, PA	Pension, OPEB, Special Studies
U.S. Tax Court, DC	Pension, OPEB, Special Studies
Vallejo FWD, CA	OPEB, Financial Reporting
Washington Suburban Sanitary Commission, MD	Pension, OPEB, Special Studies

Actuarial Team

BCG is able and ready to commit the manpower noted below and will initiate and complete the project work needed in a timely manner.

The following diagram shows how the BCG actuarial team will work with the City. It shows that depending on the issue, any member of the team could interact with appropriate City personnel such as:

Team Member	Role
Greg Stump	Senior Lead Actuary, project development and confirmation, presentations, peer review; Account Manager/Contract Representative
Sunita Bhatia Dave Boomershine	Project management, actuary, and delivery of services; peer review and consultation as needed
Marshal Banks Darlene Morgan Mary Johnson	Valuation and analysis



The purpose of assigning a full team to the City is so that there is always a team member available to address any questions. We also guarantee that any phone calls or messages will be addressed within 24 hours (most calls will be returned immediately).

Following are short bios for the actuarial team members assigned to the City.

Gregory M. Stump, FSA, EA, MAAA, FCA
Chief Actuary

Greg has seventeen years of experience as a pension actuary, specializing in public sector defined benefit and retiree healthcare plans. He is a Fellow of the Society of Actuaries, an Enrolled Actuary, a Fellow of the Conference of Consulting Actuaries, and a Member of the American Academy of Actuaries.

During his career, Greg has worked with a variety of pension and retiree healthcare plans, both public and private, throughout the United States. He has worked with some of the largest and most complex public plans in the nation, as well as numerous cities, towns, counties, and special governmental entities. His corporate pension experience includes work with a number of multi-billion dollar pension funds. His recent work has focused on pension cost projections and the risks faced by public plans.

- Current clients include the City of Lansing (MI), Charter Township of Independence, Queen Anne's County (MD), Luzerne County (PA), Butler County (PA), Town of Greenwich (CT), Rochester-Genesee Regional Transportation Authority (NY)
- From 2005 to 2012, Greg was responsible for the annual actuarial audits of each sub-system within CalPERS, the nation's largest pension fund.
- From 2005 to 2012, he served as the actuary for the four U.S. judicial retirement systems, providing benefits for federal judges and their beneficiaries.
- From 2005 to 2010, Greg served as the actuary for the D.C. Retirement Board, which provides pension benefits to the City's Teachers, Police Officers, and Firefighters. He was also the contracted consulting actuary for the Department of Treasury's Office of D.C. Pensions from 2007 through 2012.
- In 2010, Greg was appointed and served on Governor Rell's Post-Employment Benefits Commission, tasked with reviewing the State of Connecticut's retirement benefits and liabilities as well as evaluating and proposing various solutions. Greg was the only actuary on the panel, and his insight and extensive pension knowledge proved to be invaluable to the group.

He has helped a number of governmental plans in their development and refinement of funding policy and benefit design efforts. Greg is also a frequent speaker at national and regional public pension conferences. He earned a BS in Mathematics from Indiana University of Pennsylvania, graduating Summa Cum Laude in 1993.

David S. Boomershine, EA, FCA, MAAA, MSPA
Senior Actuary and President

As Senior Actuary and President of Boomershine Consulting Group, Dave has primary responsibilities for delivering consulting services and providing strategic retirement and health and welfare consulting solutions to clients.

His business background includes more than three decades of experience with major national employee benefit consulting firms in senior positions. He specializes in helping clients design, administer, fund and communicate employee benefit plans and has worked with all sizes of employers in the public and private sector, as well as non-profit organizations. He has extensive experience in analyzing, re-designing and developing solutions for retirement and other benefit programs.

Dave Boomershine is a frequent speaker at many state and national conferences including the 2012 Virginia Government Finance Officers Association conference, the 2011 and 2012 Maryland Government Finance Officers Association conference, the Mid-Atlantic Plan Sponsors Conference, the Worldwide Employees Benefits Network, and is a regular speaker on the Money and Politics radio program.

Dave has spoken on a broad range of retirement topics in numerous forums including regional and national conferences and seminars, including the Davenport OPEB conference, the International Foundation of Employee Benefit Plans (IFEBP), the Government Finance Officers Association (GFOA) and the Worldwide Employee Benefits (WEB) Network.

He is an Enrolled Actuary, a member of the American Academy of Actuaries, a member of the American Society of Pension Professionals and Actuaries, a Fellow in the Conference of Consulting Actuaries, and a member of the National Retirement and Savings Committee of the American Benefits Council.

He earned a BA in Mathematics from Shippensburg University, with minors in Business Administration, Economics and Computer Science.

Sunita Bhatia, ASA, EA, ACA, MAAA
Senior Consultant/Actuary

Sunita has over 20 years of experience working with retirement plans, with a concentration on defined benefit plans. This experience includes assisting clients with the various aspects of their plans and interacting with the clients' boards and committees, as well as their employees. She has been involved in performing funding and FAS 87 valuations, FAS 158 and PPA 2006 calculations, regulatory compliance and discrimination testing. She has also been involved in Plan design and implementation of new retirement programs, and has assisted clients in analyzing and modifying their total benefit programs.

Ms. Bhatia earned a MS in Mathematics from the University of Maryland, Baltimore County and is an Enrolled Actuary, an Associate of the Society of Actuaries, a Member of the American Academy of Actuaries, and a Member of the Conference of Consulting Actuaries.

Marshal Banks
Senior Analyst

Marshal has over 20 years of experience in various aspects of defined benefit retirement services, including data maintenance, reconciliation and update, benefit calculations, benefit statements and government filings. He also has a wide range of knowledge about Medicare Part D from completing the required testing, interacting with the website to requesting of the subsidy and the fiscal recommendations. He has completed these tasks for over 50 different clients ranging in retiree population size from 10 to over 5,000. He has attended the various RDS sponsored seminars in Dallas, Baltimore and Boston.

In addition he uses his background to help clients with automating the various tasks related to pension plan administration. Marshal earned a BS in Actuarial Science from Towson State University.

Darlene Morgan, CEBS
Senior Analyst

Darlene Morgan has over 30 years of experience in various aspects of defined benefit retirement services, including data maintenance, reconciliation, and update, benefit calculations, benefit statements, actuarial valuations, financial information, and government filings. Darlene has earned the Certified Employee Benefit Specialist (CEBS) designation and is a member of the International Society of CEBS as well as the International Foundation of Employee Benefit Plans.

Mary Johnson
Actuarial Analyst

Mary C. Johnson has over 10 years of experience in the retirement plans field. She has designed and programmed benefit calculation software. Mary's responsibilities include client data reconciliation, preparation of benefit statements, benefit calculations and government forms filings. She also has experience in preparing annual FAS and Valuation reports.

Ms. Johnson has a BS in Mathematical Sciences from Towson University.

References

City of Winston-Salem

101 North Main Street
Winston-Salem, NC 27101
Ms. Lisa Saunders, Chief Financial Officer
336-747-6911
lisas@cityofws.org

City of Lansing, Michigan

124 West Michigan Avenue
Lansing, MI 48933
Dennis Parker, ERS Board Chair
(517) 483-5853
Dennis2256@gmail.com

Town of Greenwich

101 Field Point Road
Greenwich, CT 06830
Mr. Joseph Pellegrino, Board Chair
(203) 625-2602
joepell63@gmail.com

Luzerne County Employee Retirement System

20 North Pennsylvania Avenue
Penn Place
Wilkes-Barre, PA 18711
Rick Hummer, Pension Coordinator
(570) 825-1628
rick.hummer@luzernecounty.org

Note that the most recent annual financial statement for BCG is included in the Appendix.

Appendix

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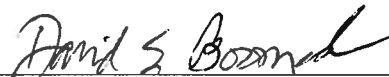
DRUG-FREE WORKPLACE FORM

The undersigned vendor in accordance with Florida Statute 287.087 hereby certifies that

Boomershine Consulting Group, LLC does:
(Name of Business)

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for the drug abuse violations.
3. Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
4. In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of Chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.



Bidder's Signature

6/21/2018

Date

CITY OF GAINESVILLE

CERTIFICATION OF COMPLIANCE WITH LIVING WAGE

The undersigned hereby agrees to comply with the terms of the Living Wage Ordinance and to pay all covered employees, as defined by City of Gainesville Ordinance 020663 as amended at 030168 (Living Wage Ordinance), during the time they are directly involved in providing covered services under the contract with the City of Gainesville for

Actuarial Services a living wage of \$ 20 per hour to covered employees who receive Health Benefits from the undersigned employer and \$ 15 per hour to covered employees not offered health care benefits by the undersigned employer.

Name of Service Contractor/Subcontractor: Boomershine Consulting Group, LLC

Address: 3300 North Ridge Rd., Suite 300, Ellicott City, MD 21043

Phone Number: 410-418-5525

Name of Local Contact Person David S. Boomershine

Address: Same

Phone Number: _____

\$ 76,000 (?)

(Amount of Contract)

Signature: _____



Date: 6/21/2018

Printed Name: David S. Boomershine

Title: President

LIVING WAGE COMPLIANCE
See Living Wage Decision Tree (Exhibit C hereto)

Check one:

- ☐ Living Wage Ordinance does not apply
(check all that apply)
- ☐ Not a covered service
 - ☐ Contract does not exceed \$100,000
 - ☐ Not a for-profit individual, business entity, corporation, partnership, limited liability company, joint venture, or similar business, who or which employees 50 or more persons, but not including employees of any subsidiaries, affiliates or parent businesses.
 - ☐ Located within the City of Gainesville enterprise zone.
- ☒ Living Wage Ordinance applies and the completed Certification of Compliance with Living Wage is included with this bid.

NOTE: If Contractor has stated Living Wage Ordinance does not apply and it is later determined Living Wage Ordinance does apply, Contractor will be required to comply with the provision of the City of Gainesville's living wage requirements, as applicable, without any adjustment to the bid price.

Note: LWO may apply if total contract exceeds \$100,000 over multiple years;
therefore we do comply with LWO.

PROPOSAL RESPONSE FORM – SIGNATURE PAGE**(submit this form with your proposal)**

TO: City of Gainesville, Florida
200 East University Avenue
Gainesville, Florida 32601

PROJECT: Actuarial Services for the City of Gainesville General Employees' Pension Plan and the City of Gainesville Retiree Health Insurance Trust Fund

RFP #: FPEN-180084-DH

RFP DUE DATE: June 25, 2018

Proposer's Legal Name: Boomershine Consulting Group, LLC

Proposer's Alias/DBA: _____

Proposer's Address: 3300 North Ridge Rd., Suite 300
Ellicott City, MD 21043

PROPOSER'S REPRESENTATIVE (to be contacted for additional information on this proposal)

Name: David S. Boomershine

Telephone Number 410-418-5525

Date: 6/21/2018

Fax Number 410-418-5644

Email address _____

dboomershine@boomershineconsulting.com

ADDENDA

The Proposer hereby acknowledges receipt of Addenda No.'s 1, 2, _____, to these Specifications.

TAXES

The Proposer agrees that any applicable Federal, State and Local sales and use taxes, which are to be paid by City of Gainesville, are included in the stated bid prices. Since often the City of Gainesville is exempt from taxes for equipment, materials and services, it is the responsibility of the Contractor to determine whether sales taxes are applicable. The Contractor is liable for any applicable taxes which are not included in the stated bid prices.

LOCAL PREFERENCE (check one)

Local Preference requested: ☐ YES ☒ NO

A copy of your Business tax receipt and Zoning Compliance Permit should be submitted with your bid if a local preference is requested.

QUALIFIED LOCAL SMALL AND/OR DISABLED VETERAN BUSINESS STATUS (check one)

Is your business qualified as a Local Small Business in accordance with the City of Gainesville Small Business Procurement Program? (Refer to Definitions) ☐ YES ☒ NO

Is your business qualified as a Local Service-Disabled Veteran Business in accordance with the City of Gainesville Small and Service-Disabled Veteran Business Procurement Program? (Refer to Definitions) ☐ YES ☒ No

SERVICE-DISABLED VETERANS' BUSINESS (check one)

Is your business certified as a service-disabled veterans' business? ☐ YES ☒ NO

LIVING WAGE COMPLIANCE

See Living Wage Decision Tree (Exhibit C hereto)

Check One:

- ☐ Living Wage Ordinance does not apply
(check all that apply)
- ☐ Not a covered service
 - ☐ Contract does not exceed \$100,000
 - ☐ Not a for-profit individual, business entity, corporation, partnership, limited liability company, joint venture, or similar business, who or which employees 50 or more persons, but not including employees of any subsidiaries, affiliates or parent businesses.
 - ☐ Located within the City of Gainesville enterprise zone.
- ☒ Living Wage Ordinance applies and the completed Certification of Compliance with Living Wage is included with this bid.

NOTE: If Contractor has stated Living Wage Ordinance does not apply and it is later determined Living Wage Ordinance does apply, Contractor will be required to comply with the provision of the City of Gainesville's living wage requirements, as applicable, without any adjustment to the bid price.


SIGNATURE ACKNOWLEDGES THAT: (check one)

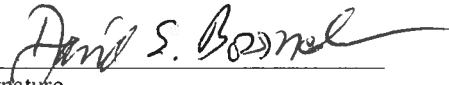
- ☒ Proposal is in full compliance with the Specifications.
- ☐ Proposal is in full compliance with specifications except as specifically stated and attached hereto.

Signature also acknowledges that Proposer has read the current City of Gainesville Debarment/Suspension/Termination Procedures and agrees that the provisions thereof shall apply to this RFP.

ATTEST:

(CORPORATE SEAL)
PROPOSER:


Signature
By: Debra R. Alexander
Title: Office Manager


Signature
By: David S. Boomershine
Title: President

ADDENDUM NO. 1



Date: June 12, 2018

Bid Date: June 25, 2018
at 3:00 P.M. (Local Time)

Bid Name RFP for Actuarial Services for City of Gainesville
General Employees' Pension Plan and the City of Gainesville
Retiree Health Insurance Trust Fund

Bid No.: FPEN-180084-DH

NOTE: This Addendum has been issued only to the holders of record of the specifications.

The original Specifications remain in full force and effect except as revised by the following changes which shall take precedence over anything to the contrary:

1. Any questions shall be submitted in writing to the City of Gainesville Purchasing Division by 3:00 p.m. (local time), June 18, 2018. Questions may be submitted as follows:
Email: holderds@cityofgainesville.org
or
Faxed (352) 334-3163
Attention: Diane Holder
2. Please find attached:
 - a) Copy of the black out period information (Financial Procedures Manual Section 41-423 Prohibition of lobbying in procurement matters)) distributed during mandatory pre-bid meeting.
 - b) Exhibit A-October 1, 2016 Valuation Report-General Employees Retirement Plan
 - c) Exhibit B-2015 Retiree Health Fund Valuation Report final 7-28-16
 - d) Exhibit C-FY2017 General Employees' Pension GASB 67 Report
 - e) Exhibit D-FY2017 General Employees' Pension GASB 68 Report
 - f) Exhibit E-FY17 Retiree Health Insurance Fund GASB 45 and 74 Report Final

The following are answers/clarifications to questions received:

3. Question: Who is your current provide and can we get the latest copies of your valuation and GASB reports?
Answer: Conduent currently provides actuarial services for the City of Gainesville General Employees' Pension Plan and the Retiree Health Insurance Trust Fund. Requested Reports attached.
4. Question: Why are you going out to bid?
Answer: Original Agreement was with Xerox/Buck which was changed to Conduent in 2017. Now Conduent actuarial services business is being sold to H.I.G. Private Equity. Too many firm changes, and actuarial services team turnover.

5. Question: Are there any service issues with your current provider?
Answer: No
6. Question: What fees do you currently pay for the services covered by the RFP?
Answer: General Employees' Pension Valuation Report \$28,500
 General Employees' Pension GASB 67 & 68 \$12,500
 General Employees' Pension FL Chapter 112.664 Disclosure \$5,500
 General Employees' Pension Benefit Calculation Review \$250
 Retiree Health Fund Valuation Report/GASB 45 \$25,500
 Retiree Health Fund GASB 74 & 75 \$5,500
7. Question: Can you provide the amount of the total fees paid to the current actuarial vendor in 2015, 2016 and 2017? Was the scope of that work the same as required in this RFP?
Answer: Most recent/current fees have been provided. Scope of work is the same as required in RFP.
8. Question: Please identify a current actuarial vendor. How long has the current actuarial vendor served the City in that capacity?
Answer: Prior to 2016, Actuarial Concepts was actuary for referenced City Plans for over 20 years. Through a 2016 RFP process, Xerox/Buck was hired as actuary. In 2017 Xerox/Buck became Conduent, who is current actuary.
9. Question: Is the current actuarial vendor allowed to bid on this assignment?
Answer: Yes.
10. Question: Has the City been totally satisfied with the current vendor?
Answer: Yes.
11. Question: Can you provide the copies of the most recent actuarial funding valuation report for Pension and OPEB plans and GASB disclosure reports (if prepared separately)?
Answer: Previously provided.
12. Question: Will any preference be given to the bidder maintaining an office in the State of Florida?
Answer: No.
13. Question: Is it mandatory that the successful bidder provides the similar services for public entities in the State of Florida?
Answer: Preferred.
14. Question: How many live meetings will be required under the terms of the engagement and must be included into the total fees?
Answer: 1
15. Question: Must our proposal cover all services listed in the RFP or will the City accept proposals only providing the requested GASB Reporting and Biannual Actuarial Valuation Reports Plan and the Retiree Health Insurance Trust Fund?
Answer: Proposals should cover all services listed in RFP.


16. Question: Please provide the most recent Pension and OPEB actuarial reports and experience study
Answer: See Attachments, No recent Experience Studies are available.
17. Question: Were any plan changes made since the last valuation reports?
Answer: The assumed rate of return on investments was lowered from 8.10% in FY2016 to 8.0% in FY2017, and will be lowered to 7.9% in FY2018.
18. Question: Is the OPEB plan fully insured or self-insured?
Answer: Self-Insured.
19. Question: What is the budget for services being requested in this RFP?
Answer: The budget will be in line with previous fees paid for actuarial services, with adjustments made for fees quoted in the newly accepted proposal.
20. Question: How long has the current actuary been providing these services?
Answer: See question #8.
21. Question: Is the current actuary invited to bid on this RFP?
Answer: See #9
22. Question: Are you open to accepting mutually-agreeable contract terms, which include some limitation of liability on the work performed by the contracting actuarial firm? Also, are there any statutory requirements regarding limitation of liability of which we should be aware?
Answer: The City will negotiate contract terms with the firm whose proposal is accepted. Limitations of liability are negotiable. There are no statutory requirements regarding limitations of liability.
23. Question: How many full time employees does the municipality currently have?
Answer: See attached Actuarial Valuations
24. Question: How many retirees currently receiving healthcare benefits does the municipality have?
Answer: See attached Actuarial Valuations
25. Question: Are you self-insured or fully-insured?
Answer: Self-Insured
26. Question: Are there different types of plans (high-coverage, low-coverage, etc.) that retirees can choose from? Or is everyone covered by the same plan?
Answer: The City offers one plan for retirees. When a retiree reaches age 65 Medicare eligibility, they can choose to enroll in a Medicare Supplement sponsored by the employer and billed to the employer. The City's contribution can be applied to the Medicare Supplement and Part D option or the City's Health Plan.

27. Question: Does the plan provide just health insurance, or do you provide dental, vision, life insurance, or any other type?
Answer: Health Insurance only. There is a separate Group Life Insurance Policy for active employees that has a retiree classification. The retiree benefit reduces at retirement until it reaches a minimum benefit of \$5000.
28. Question: Are there any other post-retirement benefits that need to be included in the valuation?
Answer: No
29. Question: Will your valuation need to be broken out by different employee departments? If so, how many departments? (Note: this will most likely increase the cost of the valuation)
Answer: No
30. Question: Does the City have a trust fund which post employments benefits are paid?
Answer: Yes
31. Question: Subsidized post-employment life insurance is or not provided?
Answer: Employer paid Life Insurance is provided for active employees - at retirement, the benefit is gradually reduced to \$5000.
32. Question: Are there unit(s) for which costs and liabilities must be separately disclosed?
Answer: No
33. Question: Does the municipality value life insurance?
Answer: Employer paid Life Insurance program is not for of the Retiree health Insurance Trust Fund, and is not included in the actuarial valuation of that Fund.

ACKNOWLEDGMENT: Each Proposer shall acknowledge receipt of this Addendum No. 1 by his or her signature below, **and a copy of this Addendum to be returned with proposal.**

CERTIFICATION BY PROPOSER

The undersigned acknowledges receipt of this Addendum No. 1 and the Proposal submitted is in accordance with information, instructions, and stipulations set forth herein.

PROPOSER: 

BY: David S. Boomershine, President

DATE: 6/21/2018

CITY OF _____ FINANCIAL SERVICES GAINESVILLE PROCEDURES MANUAL

41-423 Prohibition of lobbying in procurement matters

Except as expressly set forth in Resolution 060732, Section 10, during the black out period as defined herein no person may lobby, on behalf of a competing party in a particular procurement process, City Officials or employees except the purchasing division, the purchasing designated staff contact. Violation of this provision shall result in disqualification of the party on whose behalf the lobbying occurred.

Black out period means the period between the issue date which allows for immediate submittals to the City of Gainesville Purchasing Department for an invitation for bid or the request for proposal, or qualifications, or information, or the invitation to negotiate, as applicable, and the time the City Officials and Employee awards the contract.

Lobbying means when any natural person for compensation, seeks to influence the governmental decision making, to encourage the passage, defeat, or modification of any proposal, recommendation or decision by City Officials and Employees, except as authorized by procurement documents.

ADDENDUM NO. 1

Bid Name RFP for Actuarial Services for City of Gainesville

Bid No.: FPEN-180084-DH

EXHIBIT A
2016 Valuation Report-General
Employees Retirement Plan

ADDENDUM NO. 2



Date: June 19, 2018

Bid Date: June 25, 2018
at 3:00 P.M. (Local Time)

Bid Name RFP for Actuarial Services for City of Gainesville
General Employees' Pension Plan and the City of Gainesville
Retiree Health Insurance Trust Fund

Bid No.: FPEN-180084-DH

NOTE: This Addendum has been issued only to the holders of record of the specifications.

The original Specifications remain in full force and effect except as revised by the following changes which shall take precedence over anything to the contrary:

1. The deadline for questions was June 18, 2018.
2. Please find attached:
 - a) Copy of the black out period information (Financial Procedures Manual Section 41-423 Prohibition of lobbying in procurement matters)) distributed during mandatory pre-bid meeting.

The following are answers/clarifications to questions received:

3. Question: Please provide the current contracted fees for each of the services outlined in the price proposal section of the RFP.
Answer: See Addendum No. 1.
4. Question: Please provide a copy of the most recent actuarial valuation reports for each of the services requested (i.e., funding, GASB, 112.664)?
Answer: See Addendum No. 1.
5. Question: For the Retiree Health Insurance Trust Fund, are the GASB 74/75 valuations prepared annually with updated census data and financial information or is the valuation bi-annual with a rollforward of results for interim years?
Answer: The valuation is done bi-annually with a roll forward of results for interim years.
6. Question: Are there any service issues with your current actuarial provider?
Answer: See Addendum No. 1.
7. Question: Are there any areas of concern that should be addressed in the proposal?
Answer: If there is going to be a fee to perform an initial reproduction of the most recent actuarial valuation, state so clearly.

8. Question: Would the City entertain language that clarifies that the successful bidder may rely on the data provided by the City and is not responsible for data clean up or inaccurate data?
Answer: The City is willing to discuss such language with the successful bidder, but some data reconciliation is expected.
9. Question: Would the City entertain language that sets out a limitation of liability on asserted negligence or breach of contract, without limiting gross negligence or willful misconduct, to a mutually agreed amount?
Answer: The City is willing to discuss such language with the successful bidder.
10. Question: Would the City entertain language that clarifies that the indemnity is solely triggered when a claim from a non-party arises against the City that is due to the successful bidder's fault?
Answer: The City is willing to discuss such language with the successful bidder.
11. Question: Would the City entertain language clarifying that the insurance carried is slightly edited?
Answer: The City is willing discuss such language with the successful bidder.
12. Question: Would the City entertain a non-solicitation of employment clause that allows exceptions for non-targeted general job recruiting?
Answer: The City is willing to discuss such language with the successful bidder.
13. Question: Please confirm whether the RFP includes services the successful bidder is expected to perform related to pension plan benefit calculation and/or administration system(s) maintained and operated by the City.
Answer: The RFP specifies that the successful bidder is expected to perform pension benefit calculations, however there are no responsibilities related to the City's pension administration systems.
14. Question: Section I (C) Proposal Submission: This section asks that we submit the proposal on a CD or USB Flash Drive and that the electronic document should not be password protected or encrypted. It is Gallagher's policy to encrypt the CD or Flashdrive as a whole. Are we able to submit the flashdrive with a password included? Or can we submit an electronic copy via Sharefile or email?
Answer: The City will accept a flashdrive with the password included.
15. Question: How will addenda be communicated?
Answer: Addenda will be posted on Demandstar.
16. Question: Section III (A)(3) Format and Contents of Proposal – Price Proposal: Is the price proposal required to be submitted in a separate sealed envelope?
Answer: The price proposal is not required to be submitted in a separate sealed envelope.
17. Question: Section III (B) Qualifications/Statement of Qualifications: Is the City looking for a complete client list or just a listing of our references?
Answer: References are required. A representative list of public pension clients, including Florida public pension clients is preferred.

ACKNOWLEDGMENT: Each Proposer shall acknowledge receipt of this Addendum No. 2 by his or her signature below, **and a copy of this Addendum to be returned with proposal.**

CERTIFICATION BY PROPOSER

The undersigned acknowledges receipt of this Addendum No. 2 and the Proposal submitted is in accordance with information, instructions, and stipulations set forth herein.

PROPOSER: David S. Boomers

BY: David S. Boomers, President

DATE: 6/21/2018

CITY OF _____ FINANCIAL SERVICES GAINESVILLE PROCEDURES MANUAL

41-423 Prohibition of lobbying in procurement matters

Except as expressly set forth in Resolution 060732, Section 10, during the black out period as defined herein no person may lobby, on behalf of a competing party in a particular procurement process, City Officials or employees except the purchasing division, the purchasing designated staff contact. Violation of this provision shall result in disqualification of the party on whose behalf the lobbying occurred.

Black out period means the period between the issue date which allows for immediate submittals to the City of Gainesville Purchasing Department for an invitation for bid or the request for proposal, or qualifications, or information, or the invitation to negotiate, as applicable, and the time the City Officials and Employee awards the contract.

Lobbying means when any natural person for compensation, seeks to influence the governmental decision making, to encourage the passage, defeat, or modification of any proposal, recommendation or decision by City Officials and Employees, except as authorized by procurement documents.

FINANCIAL STATEMENTS AND
ACCOUNTANT'S COMPILATION REPORT

Boomershine Consulting Group, LLC

December 31, 2017



Bowman & Company CPA, PC

Small Business Accountants/Personal Financial Planners

7061 Deepage Drive Suite 101 Columbia, MD 21045 (410) 381-8121 Fax (410) 381-8142
email: tom@bowmancpa.com

Accountant's Compilation Report

To the Members
Boomershine Consulting Group, LLC
Ellicott City, MD

We have compiled the accompanying statement of assets, liabilities, and members' capital-income tax basis of Boomershine Consulting Group, LLC (a partnership), as of December 31, 2017, and the related statements of revenue and expenses-income tax basis for one month and the 12 Months then ended, and the statement of retained earnings-income tax basis, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the income tax basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of the owner. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

The members have elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the Limited Liability Company's assets, liabilities, capital, revenue, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Boomershine Consulting Group, LLC.

Bowman & Company, CPA, PC

March 03, 2018

Boomershine Consulting Group, LLC
Statements of Assets, Liabilities and Equity - Income Tax Basis
As of December 31, 2017

Assets

Current Assets

Cash-checking Bank	\$ 182,650
Petty Cash	800
Founders Financial cash account	3,495
Founders Financial Mutual Funds	113,945
Security deposit	<u>5,250</u>

Total Current Assets 306,140

Property and Equipment

Furniture & equipment	91,561
Vehicles	172,384
Less Accumulated Depreciation	<u>(146,966)</u>

Net Property and Equipment 116,979

Non Current Assets

Software	7,601
Software- cost-accum amort	(7,601)
Organization cost	2,851
Organization cost-accum amort	(2,851)
Client files	1,000
Client files-accum amort	(717)
Goodwill	292,294
Goodwill-accum amort	<u>(188,851)</u>

Total Non Current Assets 103,726

Total Assets \$ 526,845

Boomershine Consulting Group, LLC
Statements of Assets, Liabilities and Equity - Income Tax Basis
As of December 31, 2017

Liabilities and Members' Equity

Current Liabilities

Pension payable	\$ 73,441	
Total Current Liabilities		<u>73,441</u>

Long-Term Liabilities

Loan payable - 2014 Audi (\$1031.19)	16,280	
Loan payable - 2018 Audi (\$1035.55)	<u>53,622</u>	
Total Long-Term Liabilities		<u>69,902</u>
Total Liabilities		<u>143,343</u>

Members' Equity

Members' capital	401,438	
Members' drawing	(535,150)	
Members' Health Insurance	(26,340)	
Profit (Loss) Current Year	<u>543,554</u>	

Total Members' Equity		<u>383,502</u>
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Total Liabilities and Members' Equity	<u>\$ 526,845</u>
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Boomershine Consulting Group, LLC
Statement of Revenues and Expenses - Income Tax Basis
For the 12 Months Ended December 31, 2017

	Current Month	Percent	Year to Date	Percent
Sales				
Sales	\$ 249,797	100.00	\$ 2,756,820	100.03
Refunds	\$ 0	0.00	\$ (891)	(0.03)
Total Sales	<u>249,797</u>	<u>100.00</u>	<u>2,755,929</u>	<u>100.00</u>
Operating Expenses				
Office rent	6,495	2.60	74,625	2.71
Equipment rental	762	0.31	1,190	0.04
Wages	95,394	38.19	1,192,597	43.27
Payroll taxes	4,551	1.82	77,764	2.82
Other taxes	0	0.00	1,062	0.04
Telephone	518	0.21	8,399	0.30
Internet	570	0.23	5,247	0.19
Insurance	0	0.00	44,409	1.61
Advertising	0	0.00	78	0.00
Auto expense	0	0.00	9,776	0.35
Travel	182	0.07	8,788	0.32
Professional fees	6,512	2.61	65,768	2.39
Licenses & permits	3,922	1.57	50,497	1.83
Repairs & maintenance	0	0.00	126	0.00
Office supplies	1,708	0.68	31,954	1.16
Operating supplies	0	0.00	5,537	0.20
Pension plan contribution	111,251	44.54	111,251	4.04
Employee benefits	6,399	2.56	72,576	2.63
Meals & entertainment	214	0.09	1,307	0.05
Postage	661	0.26	9,397	0.34
Reimbursed expenses	2,203	0.88	23,828	0.86
Contributions	0	0.00	11,100	0.40
Education	0	0.00	3,440	0.12
Gifts	0	0.00	1,401	0.05
Dues & subscriptions	39	0.02	7,402	0.27
Bank charges/discounts	(4)	0.00	1,169	0.04
Miscellaneous	0	0.00	(3)	0.00
Total Operating Expenses	<u>241,377</u>	<u>96.63</u>	<u>1,820,685</u>	<u>66.06</u>
Operating Income (Loss)	<u>8,420</u>	<u>3.37</u>	<u>935,244</u>	<u>33.94</u>
Other Income (Expenses)				
Capital gains on dividends	23	0.01	23	0.00
Dividend income	472	0.19	2,708	0.10
Dividend Income - non taxable	3	0.00	3	0.00
Gain (Loss) on Sale of Fixed Assets	0	0.00	(25,627)	(0.93)

- For Client Use Only -
See Accountant's Compilation Report

Boomershine Consulting Group, LLC
Statement of Revenues and Expenses - Income Tax Basis
For the 12 Months Ended December 31, 2017

	Current Month	Percent	Year to Date	Percent
Guaranteed payments-Dave	(20,769)	(8.31)	(270,000)	(9.80)
Guaranteed payments-Melinda	(4,615)	(1.85)	(60,000)	(2.18)
Interest/finance charges	(355)	(0.14)	(2,459)	(0.09)
Depreciation	(3,103)	(1.24)	(16,785)	(0.61)
Amortization	(1,629)	(0.65)	(19,553)	(0.71)
Undistributed Payroll Account	859	0.34	0	0.00
Total Other Income (Expenses)	<u>(29,114)</u>	<u>(11.66)</u>	<u>(391,690)</u>	<u>(14.21)</u>
Net Income (Loss)	<u><u>\$ (20,694)</u></u>	<u><u>(8.28)%</u></u>	<u><u>\$ 543,554</u></u>	<u><u>19.72 %</u></u>

Boomershine Consulting Group, LLC
Statement of Members' Capital - Income Tax Basis
December 31, 2017

Beginning Members' Capital	\$	401,438
Add: Net Income (Loss)		543,554
Less: Member Drawing	\$	<u>(561,490)</u>
Ending Members' Capital	\$	<u><u>383,502</u></u>

Boomershine Consulting Group, LLC
Statement of Revenues and Expenses- Income Tax Basis
For the 12 Months Ended December 31, 2017

	01/31/17	02/28/17	03/31/17	04/30/17	05/31/17	06/30/17	07/31/17	08/31/17	09/30/17	10/31/17	11/30/17	12/31/17	Total
Sales													
Sales	264,611	253,562	134,162	324,253	264,374	275,364	251,462	133,160	118,991	237,162	249,922	249,797	2,756,820
Refunds	0	0	0	0	0	0	0	(891)	0	0	0	0	(891)
Total Sales	264,611	253,562	134,162	324,253	264,374	275,364	251,462	132,269	118,991	237,162	249,922	249,797	2,755,929
Operating Expenses													
Office rent	6,495	0	6,495	9,677	6,495	6,495	6,495	6,495	6,495	6,495	6,495	6,495	74,625
Equipment rental	0	0	0	0	0	0	0	0	0	428	0	762	1,190
Wages	106,343	90,710	87,355	98,468	129,972	87,199	88,111	85,802	89,113	94,144	139,986	95,394	1,192,597
Payroll taxes	8,496	7,038	6,552	7,586	9,712	6,497	5,740	4,533	4,677	4,994	7,389	4,551	77,764
Other taxes	0	0	300	189	0	0	573	0	0	0	0	0	1,062
Telephone	361	801	787	400	461	377	791	728	655	1,097	1,422	518	8,399
Internet	0	226	168	537	626	567	363	228	569	764	628	570	5,247
Insurance	5,183	0	7,049	9,076	1,625	0	5,675	9,016	728	5,198	859	0	44,409
Advertising	0	78	0	0	0	0	0	0	0	0	0	0	78
Auto expense	0	0	34	1,692	0	0	0	0	1,000	6,320	730	0	9,776
Travel	0	173	430	267	825	1,433	738	4,101	37	206	396	182	8,788
Professional fees	5,018	3,805	7,545	6,278	6,967	4,380	5,352	4,379	3,810	6,868	4,855	6,512	65,768
Licenses & permits	3,922	7,844	1,939	3,922	4,147	3,922	7,844	0	3,922	3,940	5,172	3,922	50,497
Repairs & maintenance	0	0	0	126	0	0	0	0	0	0	0	0	126
Office supplies	0	437	1,728	1,354	3,367	1,182	309	7,337	1,307	10,168	3,057	1,708	31,954
Operating supplies	0	0	0	0	0	50	0	5,142	345	0	0	0	5,537
Pension plan contribution	0	0	0	(8)	0	0	8	0	0	0	0	111,251	111,251
Employee benefits	5,203	5,708	5,916	6,538	(2,339)	11,816	5,582	5,142	4,666	10,284	7,661	6,399	72,576
Meals & entertainment	0	0	0	97	121	0	160	69	218	72	355	214	1,307
Postage	0	349	394	1,320	3,737	542	400	186	564	628	617	661	9,397
Reimbursed expenses	1,166	1,853	1,994	2,369	512	3,641	1,890	826	1,654	2,315	3,405	2,203	23,828
Contributions	0	7,500	0	1,600	750	250	0	1,000	0	0	0	0	11,100
Education	0	0	0	1,125	0	252	300	0	298	1,225	240	0	3,440
Gifts	0	0	0	1,201	0	200	0	0	0	0	0	0	1,401
Dues & subscriptions	0	1,955	35	785	704	389	39	39	39	3,337	39	39	7,402
Bank charges/discounts	99	87	137	96	95	133	99	30	3	339	57	(4)	1,169
Miscellaneous	(1)	0	(1)	1	(1)	1	0	1	2	2	(1)	0	(3)
Total Operating Expenses	142,285	128,564	128,857	154,696	167,776	129,326	130,469	135,054	120,102	158,824	183,362	241,377	1,820,685
Operating Income (Loss)	122,326	124,998	5,305	169,557	96,598	146,038	120,993	(2,785)	(1,111)	78,338	66,560	8,420	935,244

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Boomershine Consulting Group, LLC
Statement of Revenues and Expenses- Income Tax Basis
For the 12 Months Ended December 31, 2017

	01/31/17	02/28/17	03/31/17	04/30/17	05/31/17	06/30/17	07/31/17	08/31/17	09/30/17	10/31/17	11/30/17	12/31/17	Total
Other Income (Expenses)													
Capital gains on dividends	0	0	0	0	0	0	0	0	0	0	0	23	23
Dividend income	265	29	210	375	29	190	474	0	376	262	25	472	2,708
Dividend Income - non taxable	0	0	0	0	0	0	0	0	0	0	0	3	3
Gain (Loss) on Sale of Fixed Assets	0	0	0	0	0	0	0	0	0	0	(25,627)	0	(25,627)
Guaranteed payments-Dave	(20,769)	(20,769)	(20,769)	(20,769)	(31,154)	(20,769)	(20,769)	(20,769)	(20,769)	(20,769)	(31,154)	(20,769)	(270,000)
Guaranteed payments-Melinda	(4,615)	(4,615)	(4,615)	(4,615)	(6,923)	(4,615)	(4,615)	(4,615)	(4,615)	(4,615)	(6,923)	(4,615)	(60,000)
Interest/finance charges	(77)	(70)	(429)	(175)	(42)	(40)	(37)	(36)	(36)	(229)	(933)	(355)	(2,459)
Depreciation	(469)	(469)	(469)	(469)	(469)	(469)	(469)	(469)	(3,259)	(3,259)	(3,415)	(3,103)	(16,785)
Amortization	(1,629)	(1,629)	(1,629)	(1,629)	(1,629)	(1,629)	(1,629)	(1,629)	(1,629)	(1,629)	(1,629)	(1,629)	(19,553)
Undistributed Payroll Account	0	0	0	0	0	0	0	0	0	0	(859)	859	0
Total Other Income (Expenses)	(27,294)	(27,523)	(27,701)	(27,282)	(40,188)	(27,332)	(27,045)	(27,518)	(29,932)	(30,239)	(70,515)	(29,114)	(391,690)
Net Income (Loss)	\$ 95,032	\$ 97,475	\$ (22,396)	\$ 1,42,275	\$ 56,410	\$ 118,706	\$ 93,948	\$ (30,303)	\$ (31,043)	\$ 48,099	\$ (3,955)	\$ (20,694)	\$ 543,554

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Boomershine Consulting Group, LLC
Balance Sheet
As of December 31, 2017 and 2016

	Assets		Increase (Decrease)
	Jan 01, 2017	Dec 31, 2017	
Current Assets			
Cash-checking Bank	\$ 163,899	\$ 182,650	18,751
Petty Cash	700	800	100
Founders Financial cash account	3,099	3,495	396
Founders Financial Mutual Funds	112,553	113,945	1,392
Security deposit	<u>5,250</u>	<u>5,250</u>	
Total Current Assets	<u>285,501</u>	<u>306,140</u>	<u>20,639</u>
Property and Equipment			
Furniture & equipment	91,561	91,561	
Vehicles	175,796	172,384	(3,412)
Less Accumulated Depreciation	<u>(155,116)</u>	<u>(146,966)</u>	<u>8,150</u>
Net Property and Equipment	<u>112,241</u>	<u>116,979</u>	<u>4,738</u>
Other Assets			
Software	7,601	7,601	
Software- cost-accum amort	(7,601)	(7,601)	
Organization cost	2,851	2,851	
Organization cost-accum amort	(2,851)	(2,851)	
Client files	1,000	1,000	
Client files-accum amort	(650)	(717)	(67)
Goodwill	292,294	292,294	
Goodwill-accum amort	<u>(169,364)</u>	<u>(188,851)</u>	<u>(19,487)</u>
Total Other Assets	<u>123,280</u>	<u>103,726</u>	<u>(19,554)</u>
Total Assets	<u>\$ 521,022</u>	<u>\$ 526,845</u>	<u>\$ 5,823</u>

Boomershine Consulting Group, LLC
Balance Sheet
As of December 31, 2017 and 2016

Liabilities and Partners' Equity

	Jan 01, 2017	Dec 31, 2017	Increase (Decrease)
Current Liabilities			
Pension payable	\$ 73,004	\$ 73,441	437
Total Current Liabilities	<u>73,004</u>	<u>73,441</u>	<u>437</u>
Long-Term Liabilities			
Loan Payable-Howard Bank	8,928	0	(8,928)
Loan Payable - 2012 Audi (\$1116.26)	4,438	0	(4,438)
Loan Payable - 2013 Audi (\$1004.82)	5,979	0	(5,979)
Loan payable - 2014 Audi (\$1031.19)	27,235	16,280	(10,955)
Loan payable - 2018 Audi (\$1035.55)	<u>0</u>	<u>53,622</u>	<u>53,622</u>
Total Long-Term Liabilities	<u>46,580</u>	<u>69,902</u>	<u>23,322</u>
Total Liabilities	<u>119,584</u>	<u>143,343</u>	<u>23,759</u>
Partners' Equity			
Members' capital	401,438	401,438	
Members' drawing	0	(535,150)	(535,150)
Members' Health Insurance	0	(26,340)	(26,340)
Profit (Loss) Current Year	<u>0</u>	<u>543,554</u>	<u>543,554</u>
Total Partners' Equity	<u>401,438</u>	<u>383,502</u>	<u>(17,936)</u>
Total Liabilities and Partners' Equity	<u>\$ 521,022</u>	<u>\$ 526,845</u>	<u>\$ 5,823</u>

Boomershine Consulting Group, LLC
Income Statement
For the 12 Months Ended December 31, 2017, 2016, 2015, and 2014

	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
Sales				
Sales	2,756,820	2,662,570	2,763,047	2,675,812
Refunds	(891)	0	0	0
Total Sales	<u>2,755,929</u>	<u>2,662,570</u>	<u>2,763,047</u>	<u>2,675,812</u>
Gross Profit	<u>2,755,929</u>	<u>2,662,570</u>	<u>2,763,047</u>	<u>2,675,812</u>
Operating Expenses				
Office rent	74,625	89,588	79,480	80,213
Equipment rental	1,190	0	3,853	13,391
Wages	1,192,597	1,166,892	1,168,200	1,126,551
Payroll taxes	77,764	74,773	73,923	73,420
Other taxes	1,062	960	1,264	1,493
Telephone	8,399	8,568	7,924	7,067
Internet	5,247	6,408	6,064	6,701
Insurance	44,409	34,106	34,631	29,286
Advertising	78	559	125	45
Auto expense	9,776	2,665	0	1,469
Travel	8,788	5,114	6,998	8,562
Professional fees	65,768	71,258	67,937	59,398
Licenses & permits	50,497	48,381	54,040	45,319
Repairs & maintenance	126	0	0	0
Janitorial & Cleaning Services	0	0	111	0
Office supplies	31,954	29,314	25,535	15,661
Operating supplies	5,537	346	389	440
Pension plan contribution	111,251	110,813	110,669	106,178
Employee benefits	72,576	68,497	59,366	64,312
Meals & entertainment	1,307	3,258	5,127	3,028
Postage	9,397	9,286	11,992	8,387
Reimbursed expenses	23,828	27,772	32,278	21,992
Contributions	11,100	13,846	12,261	13,350
Education	3,440	8,747	10,809	13,808
Gifts	1,401	6,778	6,711	730
Dues & subscriptions	7,402	22,957	21,909	8,142
Bank charges/discounts	1,169	1,731	151	290
Miscellaneous	(3)	(2)	638	1
Total Operating Expenses	<u>1,820,685</u>	<u>1,812,615</u>	<u>1,802,385</u>	<u>1,709,234</u>
Operating Income (Loss)	<u>935,244</u>	<u>849,955</u>	<u>960,662</u>	<u>966,578</u>
Other Income (Expenses)				
Short term capital gain (loss)	0	(5,262)	(1,997)	(4)
Long term capital gain (loss)	0	(1,512)	7,176	642
Capital gains on dividends	23	250	2,012	0

Boomershine Consulting Group, LLC
Income Statement
For the 12 Months Ended December 31, 2017, 2016, 2015, and 2014

	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
Dividend income	2,708	1,837	2,429	2,694
Dividend Income - non taxable	3	45	50	87
Section 1256 Contracts	0	(496)	0	0
Miscellaneous income	0	0	4	0
Gain (Loss) on Sale of Fixed Assets	(25,627)	0	0	0
Interest income	0	5	1	1
Guaranteed payments-Dave	(270,000)	(259,231)	(230,000)	(230,000)
Guaranteed payments-Melinda	(60,000)	(57,308)	(50,000)	(50,000)
Interest/finance charges	(2,459)	(3,301)	(4,388)	(5,507)
Depreciation	(16,785)	(6,800)	(10,025)	(21,085)
Amortization	(19,553)	(19,553)	(19,553)	(19,553)
Depreciation-Section 179	0	0	(6,425)	(2,454)
Foreign tax paid on dividends	0	(15)	(26)	(16)
Total Other Income (Expenses)	<u>(391,690)</u>	<u>(351,341)</u>	<u>(310,742)</u>	<u>(325,195)</u>
Net Income (Loss)	<u>543,554</u>	<u>498,614</u>	<u>649,920</u>	<u>641,383</u>

Boomershine Consulting Group, LLC
Income Statement
For the 1 Month Ended December 31, 2017, 2016, 2015, and 2014

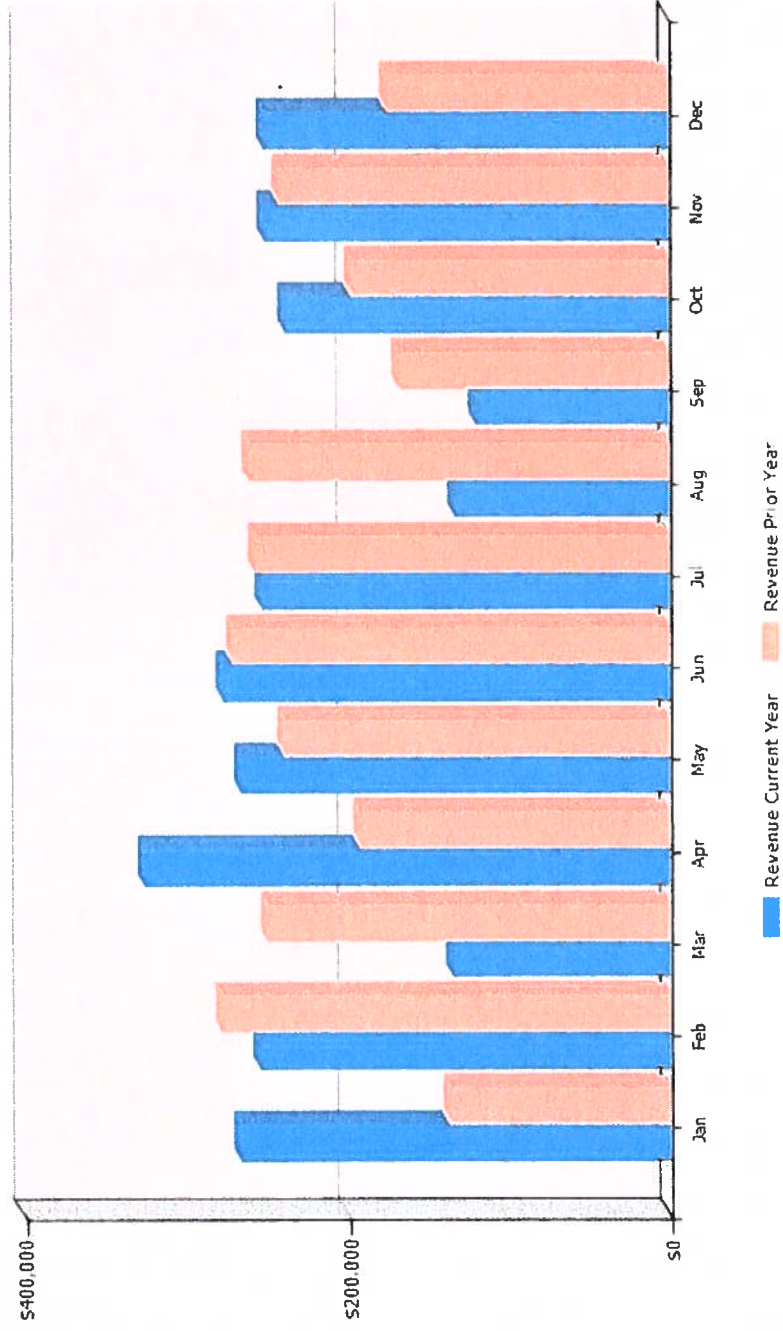
	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
Sales				
Sales	249,797	173,776	333,386	277,046
Total Sales	249,797	173,776	333,386	277,046
Gross Profit	249,797	173,776	333,386	277,046
Operating Expenses				
Office rent	6,495	12,990	6,495	6,495
Equipment rental	762	0	230	676
Wages	95,394	88,631	135,740	132,057
Payroll taxes	4,551	4,246	6,851	6,681
Other taxes	0	0	0	52
Telephone	518	776	870	1,685
Internet	570	703	780	895
Insurance	0	0	700	0
Travel	182	575	281	1,812
Professional fees	6,512	5,871	11,368	5,547
Licenses & permits	3,922	5,392	7,844	8,046
Office supplies	1,708	3,165	797	594
Operating supplies	0	0	0	419
Pension plan contribution	111,251	110,813	110,669	106,178
Employee benefits	6,399	13,560	3,577	2,875
Meals & entertainment	214	408	456	66
Postage	661	736	1,194	508
Reimbursed expenses	2,203	2,133	2,408	1,021
Contributions	0	1,005	0	0
Education	0	0	1,855	7,770
Gifts	0	184	0	0
Dues & subscriptions	39	7,455	7,035	1,096
Bank charges/discounts	(4)	(76)	28	0
Miscellaneous	0	(1)	537	(2)
Total Operating Expenses	241,377	258,566	299,715	284,471
Operating Income (Loss)	8,420	(84,790)	33,671	(7,425)
Other Income (Expenses)				
Short term capital gain (loss)	0	(3,783)	(2,028)	(11)
Long term capital gain (loss)	0	(1,605)	6,893	595
Capital gains on dividends	23	250	2,012	0
Dividend income	472	688	1,050	1,107
Dividend Income - non taxable	3	45	(1)	2
Section 1256 Contracts	0	(496)	0	0
Gain (Loss) on Sale of Fixed Assets	0	5,325	(4,852)	834

Boomershine Consulting Group, LLC
Income Statement
For the 1 Month Ended December 31, 2017, 2016, 2015, and 2014

	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
Interest income	0	4	0	0
Guaranteed payments-Dave	(20,769)	(20,769)	(26,538)	(26,538)
Guaranteed payments-Melinda	(4,615)	(4,615)	(5,769)	(5,769)
Interest/finance charges	(355)	(329)	(300)	(453)
Depreciation	(3,103)	(567)	(835)	(9,178)
Amortization	(1,629)	(1,629)	(1,629)	(1,629)
Depreciation-Section 179	0	0	(710)	(499)
Foreign tax paid on dividends	0	(15)	(26)	(16)
Undistributed Payroll Account	859	0	0	0
Total Other Income (Expenses)	<u>(29,114)</u>	<u>(27,496)</u>	<u>(32,733)</u>	<u>(41,555)</u>
Net Income (Loss)	<u>(20,694)</u>	<u>(112,286)</u>	<u>938</u>	<u>(48,980)</u>

Boomershine Consulting Group, LLC

Revenue 2017 and 2016



Boomershine Consulting Group, LLC

Net Income 2017 and 2016

