

Actuarial Valuations of the Post-retirement Health Care Benefits liabilities and the Long service Awards

RFQ 281/2013

Prospective service providers are invited to submit quotes for the Actuarial Valuations of the Post-Retirement Health Care Benefits Liabilities and the Long Service Awards, in accordance with GRAP 25 and IAS 19.

The Municipality provides post-retirement health care (medical aid) benefits to certain eligible employees and retired employees. These individuals can belong to any one of a variety of accredited medical aid schemes.

In addition the Municipality also provides long service awards to its employees in accordance with the guidelines stipulated by the South African local Government Bargaining Council. Under the policy, a Long-service award is payable after 10 years of continuous service, and every 5 years of continuous service thereafter.-**

The Municipality requires an independent actuarial consulting firm to perform an annual valuation of the above mentioned liabilities as at 30 June 2013.

SCOPE OF WORK

The report should contain the following:

- Analysis of changes in membership over the valuation period;
- Liabilities of the Municipality in respect of employee benefit arrangements;
- Projected expenses in respect of employee benefits in the year following the valuation date;
- Expected changes in the accrued liability over the year following the valuation date;
- Sensitivity analysis to demonstrate the variability of the result to changes in the more important assumptions used;
- Interpretation of results in results in order to help focus management attention on the most important factors affecting the liability;
- Reconciliation of results to previous valuations
- Projected change in the unfunded liability over the next 4-5 years.

Makana Municipality shall strive to ensure sustainable, affordable, equitable and quality services in a just, friendly secure and healthy environment, which promotes social and economic growth for all.

...a great place to be

The aim of the report must be to enable the Municipality to raise appropriate provisions in its Annual Financial Statements.

FEE STRUCTURE

Actual valuations in terms of GRAP 25 and IAS 19 as at 30 June 2013 of the following:-

- Post-Retirement Health Care Benefit liabilities
- Long Service awards liabilities

The fee must include VAT, the preparation of the report as outlined above, all other expenses and any post-project auditor queries that may arise.

The following conditions will apply:

- Must be registered on the Municipal Database;
- Price must be VAT inclusive (for all registered vendors);
- The Municipality is not obliged to accept the lowest or any quotation;
- A firm delivery period must be indicated;
- All quotations will be adjudicated in terms of council's Supply Chain Management Policy;
- The following documentation must be submitted with your quote in order to be considered, failing which will lead to disqualification:
 - a) An original valid SARS Tax Clearance Certificate
 - b) A valid Billing Clearance Certificate from your Local Municipality
 - c) Copy/ies of the Company registration e.g. CK1, CK2, Trust documents, sole provider etc.
 - d) An original certified copy of the B-BBEE certificate
 - e) Completed MBD 4 form (Declaration of Interest)
 - f) Completed MBD 9 form (Certificate of Independent Bid Determination)
- Please ensure that all returnable documentation are numbered (e.g. page 1 of 5 etc.) and binded in 1 (one) document ;
- The quotations must be submitted on the Letterhead of your business.
- Please ensure that the returnable documentation is placed in a sealed envelope clearly indicating the RFQ Number & DESCRIPTION on the envelope;
- The quotation box is located upstairs situated in the Finance Directorate, 86 High Street, Grahamstown, (during normal office hours).
- Quotes that are late will not be accepted. Quotations per fax or E-mail will also not be considered.
- The evaluation criteria is 80:20

NB: BIDDERS WHO ARE IN THE SERVICE OF THE STATE WILL NOT BE CONSIDERED.

Project Manager: Mr M Crouse

Contact Details: 046 603 6209

Closing Date: 26 August 2013

Closing Time: 12H00

**DR PRAVINE NAIDOO
MUNICIPAL MANAGER**

COST ESTIMATION

R16000.00 (VAT included)