

## CITY OF SHEBOYGAN

### REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

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**ITEM DESCRIPTION:** Res. No. 64-22-23 by Alderpersons Mitchell and Filicky-Peneski authorizing entering into a contract with Key Benefit Concepts for an updated actuarial valuation of Other Post-Employment Benefits (OPEB) liability

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**REPORT PREPARED BY:** Kaitlyn Krueger, Finance Director

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**REPORT DATE:** September 9, 2022

**MEETING DATE:** September 12, 2022

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#### FISCAL SUMMARY:

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|-----------------------|-------------------|
| Budget Line Item:     | 101150-531100     |
| Budget Summary:       | Contract Services |
| Budgeted Expenditure: | \$8,250           |
| Budgeted Revenue:     | N/A               |

#### STATUTORY REFERENCE:

|                     |     |
|---------------------|-----|
| Wisconsin Statutes: | N/A |
| Municipal Code:     | N/A |

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#### BACKGROUND / ANALYSIS:

Governmental Accounting Standards Board Statement No. 75 requires employers to recognize in their annual financial report the future liability related to postemployment benefits other than pensions. The calculations required to determine the liability are a substantial amount of work and require an actuary to complete. The City's auditors require this documentation each year to update the financial statements and provide accurate information to constituents.

#### STAFF COMMENTS:

Due to the complex nature and need for actuarial calculations, the City is required to hire a contractor in order to accurately determine the liability. The City has used Key Benefit Concepts for several years.

#### ACTION REQUESTED:

Motion to recommend the Common Council approve Res. No. 64-22-23 by Alderpersons Mitchell and Filicky-Peneski authorizing entering into a contract with Key Benefit Concepts for an updated actuarial valuation of Other Post-Employment Benefits (OPEB) liability.

#### ATTACHMENTS:

I. Res. No. 64-22-23