

QUOTATION SC 886/2010

ACTUARIAL VALUATION OF LONG SERVICE BONUSES AND POST-EMPLOYMENT HEALTH CARE BENEFITS

Quotations are invited for the above mentioned valuations.

Specifications:

Actuaries wishing to provide this service must be registered at the Actuarial Society of South Africa (proof to be submitted with quotation).

Valuations has to be fully compliant with IAS19 standard of GAAP.

1. The valuation reports should include at least the following additional information for our disclosure purpose:
 - The effect of an increase of 1% and the effect of a decrease of 1% in the assumed medical cost trend rates on the aggregate of the **current** service cost and interest cost components of net periodic post-employment medical costs
 - The effect of an increase of 1% and the effect of a decrease of 1% in the assumed medical cost trend rates on the aggregate of the **future** interest cost components of net periodic post-employment medical costs
2. The valuation report should ensure that any changes to human resource policies and appropriate assumptions affecting the liabilities are taken into account
3. Valuations should be performed from a zero base, using the updated 2010 membership data, and updated financial market-based assumptions, to arrive at actual 2010 results
4. The actual 2010 results should be compared against projected 2010 results, to analyse and reconcile differences between the figures (referred to as actuarial gains and losses)
5. The valuation reports should also (as a minimum) include a projection for the financial year ended 30/06/2011.
6. The quotation should include a schedule of similar work performed for other municipalities over the past three years.

Timeframe:

Valuation and report should be available within 15 working days after the receipt of data.

Costs:

Prices should be inclusive of VAT.