



# EXECUTIVE SUMMARY

## Finance

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### Golden Valley City Council Meeting

July 7, 2026

#### Agenda Item

**3D.5.** Approve Professional Services Agreement for Actuarial Services with Gallagher Benefit Services

#### Prepared By

Lyle Hodges, Finance Director

#### Summary

In order to comply with governmental accounting standards for our audited financial statements, the City must provide an actuarial valuation of our post employment benefits to our auditors annually. This valuation considers the cost of allowing retirees to participate in the City's health insurance benefits pool after retirement. The inclusion of retirees in our health insurance benefits pool implicitly raises the cost of insurance for all participants in the pool. According to governmental accounting standards, that implicit subsidization of insurance costs must be calculated and reported annually in order for our financial statements to comply with generally accepted accounting principals.

#### Financial or Budget Considerations

There is a sufficient budget for this service contract in the City's 2026 budget.

#### Legal Considerations

The legal department has reviewed this contract.

#### Equity Considerations

N/A

#### Recommended Action

Motion to approve professional services agreement with Gallagher Benefit Services for actuarial services to complete the City's annual financial statements.

#### Supporting Documents

- [Gallagher Actuarial Contract.pdf](#)