



JOE MANCHIN III
GOVERNOR

STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
2019 WASHINGTON STREET, EAST
P.O. BOX 50130
CHARLESTON, WEST VIRGINIA 25305-0130

ROBERT W. FERGUSON, JR.
CABINET SECRETARY

DAVID TINCHER
DIRECTOR

December 21, 2006

RE: Request for Proposal #DEP13887

To Whom It May Concern:

Please note that due to the size and volume of the Technical Proposals they will not be scanned in full at this time. If you desire to see the Technical Proposals of said bidders, do not hesitate to contact me to make arrangements for viewing of the Technical Proposals. You can reach me at phone: (304) 558-2157, fax: (304) 558-4115, or e-mail me at cbowman@wvadmin.gov.

HayGroup, Inc.
Pinnacle Actuarial Resources, Inc.

Our address is:

**2019 Washington Street, East
Charleston, WV 25305**

Sincerely,

A handwritten signature in black ink, appearing to read "Chuck Bowman".

Chuck Bowman
Senior Buyer

cc: Purchase Order File

PINNACLE

ACTUARIAL RESOURCES, INC.



The Firm of Choice

524 West State Street, Suite G
Geneva, IL 60134
Phone: (630) 262-0954 Fax: (630) 262-0961

Charles C. Emma, FCAS, MAAA

December 13, 2006

Department of Environmental Protection
Office of Administration
601 57th Street SE
Charleston, WV 25304
ATTN: Mr. Chuck Bowman

Dear Mr. Bowman:

Enclosed is our proposal to provide actuarial services to West Virginia Department of Environmental Protection (WVDEP). We trust that you will find it in accordance with your Request for Proposal.

If you have any questions, comments, or if you require anything further please call me at (630) 262-0954.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles C. Emma", with a stylized flourish at the end.

Charles C. Emma, FCAS, MAAA
Principal & Consulting Actuary

#DEP13387 Cost Proposal Format/Bid Sheets

Name of Proposing Firm:

Pinnacle Actuarial Resources, Inc.

| Task | Total Proposed Cost |
|---|-----------------------------|
| Entrance Conference (3.7 a.) | \$2,500.00 |
| Actuarial Report (3.7 b. 1-7) | \$28,000.00 |
| Physical and electronic copies of work papers (3.7 c.) | \$1,000.00 |
| Three (3) on-site consultations (3.7d.) | \$2,500.00 (3) = \$7,500.00 |
| Exit Conference (3.7 e.) | \$2,500.00 |
| Monthly status reports (3.7 f.) | \$1,000.00 |
| Grand Total | \$42,500.00 |

*** Hourly Rates and Projected Work Distribution Assigned Staff:**

| | Hourly Rate | Projected Distribution |
|--|-------------|------------------------|
| Partner | \$ | |
| | 400.00 | 20% |
| Senior Actuary | \$ | |
| | 325.00 | 30% |
| Staff Actuary Actuary Assistant | \$ | |
| | 200.00 | 40% |
| Administrative Staff Clerical Staff | \$ | |
| | 90.00 | 10% |
| Total | N/A | 100% |

*The hourly rates listed are considered firm for Fiscal Year 2006 and FY2007, and are for the purposes of submitting progress payment requests ONLY. Ancillary expenses (travel, meals, lodging, etc.) are to be included in Total Proposed Cost and proposed hourly rates.