

TCS Total Compensation Systems, Inc.

April 22, 2020

Fernando Cubias
Director of Budget & Finance
Alvord Unified School District
9 KPC Parkway
Corona, CA 92879-7102

Dear Fernando,

This letter is our proposal for GASB 74/75 actuarial valuation services. GASB 74/75 dramatically change the way services are provided, resulting in changes to our contracting practices.

As you know, GASB 75 requirements can be met every second year by using a streamlined “roll-forward” valuation (unless circumstances require a full valuation). It is only viable for a roll-forward valuation to be performed by the same actuary that performed the original full valuation. For this reason, we are including in this proposal a second year roll-forward valuation. Alvord Unified School District can elect not to proceed with the second year “roll-forward” or can choose to have a full valuation in the second year at the fee shown below for a full valuation.

To confidently schedule existing clients, we are providing an incentive for clients who make a commitment in advance of the valuation date. To reserve a place in our schedule, please send the signed contract and non-refundable deposit of one-half of the full valuation fee by June 1, 2020. The deposit is non-refundable because of the preliminary work we do to streamline valuations, as well as to compensate for downtime of resources that could result from cancelled contracts. By reserving a spot, Alvord Unified School District not only guarantees a valuation slot, but is given priority over every client that didn't reserve one. As a further incentive to reserve early, we are giving a 10% discount of the full valuation fee (i.e. excluding the meeting fee and ADC funding valuation fee) – as well as of the roll-forward valuation fee – to those who reserve a spot by June 1, 2020. That means that, to reserve a spot, we must receive the signed contract and a check for \$3,960 – i.e. one-half of 90% of \$8,800 – by June 1, 2020. The following table shows the new fees under GASB 74/75:

	<u>Full GASB 74/75</u>	<u>GASB 74/75 w/ 10% Discount</u>
Fee for Full Valuation	\$8,800	\$7,920
Roll-forward Valuation for 2 nd Year	\$4,400	\$3,960
ADC Funding Valuation Fee* (optional)	\$2,000	\$2,000
Meeting Fee* (optional)	\$1,900	\$1,900

*Not subject to 10% discount

If you choose *NOT* to reserve a spot, we still hope to work with you on the GASB 74/75 valuation, though it will be at the full fee quoted above. Should you choose to proceed, attached is a one pager describing our information needs. Depending on your plan, we may need to request additional information.

Please let me know if you have any questions about the above or about retiree health benefits, in general. We would very much appreciate once again having the opportunity to work with Alvord Unified School District.

Sincerely,



Geoffrey L. Kischuk
Actuary
gkischuk@totcomp.com

encl.

DATA NEEDED TO COMPLETE RETIREE HEALTH VALUATION:

BENEFIT DESCRIPTION DOCUMENTS

To conduct a valuation, we need a full description of retiree health eligibility rules, extent of employer contributions, duration of coverage, etc. These are most commonly included in relevant sections of collective bargaining agreements, Board policies, etc. If you provide us with language from collective bargaining agreements, please also include a description of benefits provided to *non*-bargained employees (e.g. management, confidential, etc.)

DEMOGRAPHIC INFORMATION

In addition, we need demographic information. Following are the data elements we need to perform the retiree health valuation. It is OK to send data for active employees and retirees separately *as long as the data is “as of” the same date*. If possible, the data should be sent via E-mail to gkischuk@totcomp.com, in a standard file format (e.g. ASCII text, Excel, DBF, Access, etc). We can arrange a secured transfer upon request. Please note that we recognize that all data is sensitive and confidential and we take steps to safeguard the privacy of that data.

Active Employees:

NOTE: Please include a record for all benefit eligible employees, whether they receive benefits or not; and whether they are eligible for retiree benefits or not. There is no need to include records for employees who are not eligible for health benefits as an active employee.

- SSN, Identification Number or other unique identifying information
- Date of Birth
- Sex
- Hire Date
- % FTE Indicator
- Employee Classification/Bargaining Unit
- Current rate of regular pay used to generate pension credits
- Frequency of above pay rate (e.g. hourly, monthly, annual, etc.)
- An indication of the medical plan and coverage level (i.e. employee only, employee + one, etc.)

Retired Employees:

NOTE: Please only include records for retirees who receive medical and/or dental benefits or indicate in the record whether and which benefits a retiree has. Retirees should be included even if they are intended to pay the entire cost of their benefits.

- SSN, Identification Number or other unique identifying information
- Date of Birth
- Sex
- Retirement Date (if available)
- Employee Classification/Bargaining Unit
- District Contributions for retiree health benefits or enrolled plan (if available)

MEDICAL COST INFORMATION

If medical benefits are NOT provided through the CalPERS medical plan, please provide medical premium rates (including both employee and employer share) for active employees and also for retirees. If claim information is available, please provide the most recent 12 months of month by month claim data and month by month enrollment (by coverage type) for the most recent available 12 months. If there is an annual rate renewal calculation, please provide the most recent documentation.

MISCELLANEOUS

If OPEB benefits are being funded through a trust, please provide the most recent trust asset statement.

TCS Actuarial Clients

Following is a list of California public employers for which we have performed retiree health valuation services.

Acalanes Union High School District	Casitas Municipal Water District
Acton-Agua Dulce Unified School District	Castro Valley Sanitary District
Adelanto Elementary School District	Castroville Community Services District
Alameda County Office of Education	Central Elementary School District
Alameda County Waste Management Authority	Central Union School District
Alisal Union School District	Centralia Elementary School District
Allan Hancock Joint Community College District	Ceres Unified School District
Alpine Springs County Water District	Cerritos Community College District
Alta Loma School District	Chabot-Las Positas Community College District
Alvord Unified School District	Chaffey Community College District
Amador County Office of Education	Chaffey Joint Union High School District
Anderson Union High School District	Chatom Union School District
Antelope Valley College	Chino Valley Unified School District
Antelope Valley Mosquito & Vector Control District	Chualar Union School District
Antelope Valley Union High School District	Citrus Community College District
Antelope Valley-East Kern Water Agency	City College of San Francisco Bookstore
Apple Valley Unified School District	City of Arcata
Arcadia Unified School District	City of Auburn
Arcohe Union Elementary School District	City of Bell
Armona Union Elementary School District	City of Bellflower
Arrowbear Park County Water District	City of Blue Lake
Associated Students of San Jose State University	City of Buena Park
Atwater Elementary School District	City of Calabasas
Auburn Union Elementary School District	City of Canyon Lake
Baldy View Regional Occupation Program	City of Capitola
Banning Unified School District	City of Chino
Banta Elementary School District	City of Chino Hills
Barstow Community College District	City of Claremont
Bass Lake Joint Union Elementary School District	City of Colton
Bassett Unified School District	City of Covina
Bay Area Rapid Transit District	City of Elk Grove
Bear Valley Unified School District	City of Emeryville
Beaumont-Cherry Valley Recreation and Park District	City of Folsom
Belmont Redwood Shores School District	City of Fountain Valley
Berkeley Unified School District	City of Garden Grove
Big Bear City Airport	City of Imperial Beach
Big Bear City Community Services District	City of Industry
Blue Lake Union School District	City of Ione
Bonny Doon Union Elementary School District	City of Irwindale
Butte-Glenn Community College District	City of La Cañada Flintridge
Cabrillo College Foundation	City of La Puente
Cabrillo Community College District	City of Lafayette
Cachuma Operation and Maintenance Board	City of Lake Forest
Calistoga Joint Unified School District	City of Lakeport
Carmel Unified School District	City of Lawndale
Carmichael Water District	City of Loma Linda
Cascade Union Elementary School District	City of Los Alamitos

City of Manhattan Beach
City of Menifee
City of Mission Viejo
City of Morro Bay
City of Porterville
City of Rancho Santa Margarita
City of Rolling Hills
City of San Clemente
City of Scotts Valley
City of Seal Beach
City of Signal Hill
City of Simi Valley -- General Unit
City of Solvang
City of Stanton
Claremont Unified School District
Cloverdale Unified School District
Coachella Valley Mosquito and Vector Control District
Coachella Valley Unified School District
Coalinga Huron Joint Unified School District
Coast Community College District
Coastline Regional Occupational Program
Coastside County Water District
Coastside Fire Protection District
College and Career Advantage
College of Marin
College of the Desert
College of the Redwoods
College of the Sequoias
College of the Siskiyous
Colusa County Office of Education
Compton Community College District
Compton Creek Mosquito Abatement District
Conrad Hilton Foundation
Contra Costa Community College District
Contra Costa County Office of Education
Copper Mountain Community College District
Corcoran Joint Unified School District
Corona-Norco Unified School District
Cotati-Rohnert Park Unified School District
Cottonwood Fire Protection District
Cottonwood Union School District
Crestline Sanitation District
Cuesta College
Culver City Unified School District
Cutten Elementary School District
Cypress Charter High School
Cypress School District
Davis Joint Unified School District
Del Norte County Schools
Del Paso Manor Water District

Delano Joint Union High School District
Denair Unified School District
Desert Center Unified School District
Desert Health Care District
Desert Sands Unified School District
Diocese of San Bernardino
Dixon Unified School District
Dos Palos Oro Loma Joint Unified School District
Downey Unified School District
Duarte Unified School District
Ducor Union Elementary School District
Durham Unified School District
East Whittier City School District
Eastside Union School District
El Camino Community College District
El Dorado Hills County Water District
El Dorado Irrigation District
El Dorado Union High School District
El Rancho Unified School District
El Segundo Unified School District
El Toro Water District
Elk Grove Benefit Employee Retirement Trust
Elk Grove Unified School District
Emery Unified School District
Escalon Unified School District
Etiwanda School District
Eureka City Schools
Fairfax Elementary School District
Fairfield-Suisun Sewer District
Feather River Community College District
Ferndale Unified School District
Fieldbrook Elementary School District
Fillmore Unified School District
First 5 San Benito
Folsom-Cordova Unified School District
Fontana Unified School District
Foothill-DeAnza Community College District
Fortuna Union High School District
Fountain Valley Elementary School District
Fowler Unified School District
Franklin Elementary School District
Fremont Union High School District
Freshwater School District
Fresno County Superintendent of Schools
Fruitvale Elementary School District
Fullerton Elementary School District
Fullerton Joint Union High School District
Galt Joint Union Elementary School District
Garfield School District
Glendale Community College District

Glenn County Office of Education
Gold Coast Transit
Gold Oak Union Elementary School District
Goleta Water District
Goleta West Sanitary District
Great Basin Unified Air Pollution Control District
Greater Anaheim Special Education Local Plan Area
Greenfield Union Elementary School District
Grossmont-Cuyamaca Community College District
Guadalupe Union Elementary School District
Guerneville Elementary School District
Gustine Unified School District
Hacienda La Puente Unified School District
Happy Valley Union Elementary School District
Hart Ransom Academic Charter School
Hart Ransom Union Elementary School District
Hartnell Community College District
Healdsburg Unified School District
Hemet Unified School District
Hi-Desert Water District
Hillsborough City School District
Housing Authority of the City of Eureka
Housing Authority of the City of Los Angeles
Housing Authority of the County of San Joaquin
Hughson Unified School District
Humboldt Bay Harbor Recreation and Conservation District
Humboldt County Office of Education
Humboldt State University Center
Humboldt Transit Authority
Huntington Beach City Elementary School District
Igo-Ono-Platina Union School District
Imperial Community College District
Indian Wells Valley Water District
Ironhouse Sanitary District
Jacoby Creek School District
Jefferson School District
Jefferson Union High School District
John Swett Unified School District
Kaweah Delta Water Conservation District
Kerman Unified School District
Kern Community College District
Kern Council of Governments
Kern County Law Library
Kernville Union School District
Kings County Office of Education
Kings River Union Elementary School District
Kings River-Hardwick Union School District
Kingsburg Elementary Charter School District
Kit Carson Union Elementary School District

Knights Ferry Elementary School District
La Habra City School District
Lafayette School District
Laguna Beach Unified School District
Lake Hemet Municipal Water District
Lake Tahoe Community College District
Lakeside Fire Protection District
Lakeside Union Elementary School District
Lamont Elementary School District
Lancaster School District
Las Lomas School District
Las Virgenes Municipal Water District
Lassen Community College District
Lassen County Office of Education
Lassen Municipal Utility District
Lassen Union High School District
Laton Unified School District
Lawndale Elementary School District
Le Grand Union Elementary School District
Lemoore Union Elementary School District
Lemoore Union High School District
Liberty Union High School District
Live Oak School District
Live Oak Unified School District
Livingston Union School District
Lodi Unified School District
Loleta Union Elementary School District
Long Beach City College
Loomis Union School District
Los Alamitos Unified School District
Los Angeles County Law Library
Los Angeles County West Vector & Vector-Borne Disease Control District
Los Gatos-Saratoga Joint Union High School District
Luther Burbank Elementary School District
Magnolia School District
Mammoth Unified School District
March Joint Powers Authority
Marin County Office of Education
Mark West Union School District
Martinez Unified School District
Marysville Joint Unified School District
McCabe Union Elementary School District
McFarland Unified School District
McKinleyville Community Services District
McKinleyville Union School District
Meeks Bay Fire Protection District
Mendocino-Lake Community College
Menlo Park City School District
Merced Community College District

Merced County Office of Education
Merced Union High School District
Mid-Placer Public Schools Transportation Agency
Millbrae School District
Mission Union School District
Mission Valley ROP
Mono County Office of Education
Monroe Elementary School District
Montecito Sanitary District
Montecito Water District
Monterey Peninsula Community College District
Monterey Peninsula Unified School District
Monterey Regional Waste Management District
Moraga School District
Moreland School District
Morongo Unified School District
Mosquito & Vector Management District of Santa
Barbara County
Mount San Antonio Community College District
Mount San Antonio Community College District
Auxiliary
Mount Shasta Union School District
Mountain View Elementary School District
Mountain View Los Altos Union High School District
Mt. San Jacinto Community College District
Municipalities, Colleges and Schools Insurance Group
Murrieta Valley Unified School District
Napa County Office of Education
Nevada Joint Union High School District
New Hope Elementary School District
New Jerusalem Elementary School District
Newman Crows Landing Unified School District
North Coast Unified Air Quality Management District
North County Fire Protection District of San Diego
County
North Monterey County Unified School District
North of the River Municipal Water District
North Orange County Community College District
North Orange County Regional Occupational Program
North Tahoe Fire Protection District
Northwest Mosquito and Vector Control District
Norwalk La Mirada Unified School District
Novato Unified School District
Oakdale Joint Unified School District
Oakley Union Elementary School District
Ocean View School District
Oceanside Unified School District
Ohlone Community College District
Ojai Valley Sanitary District
Old Adobe Union School District

Ontario Montclair School District Board of Trustees
Orange Center School District
Orange County Superintendent of Schools
Orange Unified School District
Orcutt Academy Charter
Orcutt Union School District
Oroville Union High School District
Oxnard School District
Pacheco Union School District
Pacific Grove Unified School District
Pacific Union School District
Pacifica School District
Pajaro Valley Unified School District
Palermo Union Elementary School District
Palm Springs Unified School District
Palo Verde Community College District
Palo Verde Unified School District
Palomar Community College District
Paradise Elementary School District
Paradise Irrigation District
Pasadena Area Community College District
Patterson Joint Unified School District
Peralta Community College District
Perris Elementary School District
Pico Water District
Piedmont Unified School District
Pioneer Union School District
Placer County Office of Education
Placer Hills Union School District
Planada Elementary School District
Pleasant Valley School District
Plumas County Community Development Commission
Port of Hueneme - Oxnard Harbor District
Porterville Unified School District
Processing Tomato Advisory Board
PSA2 Area Agency on Aging
Public Employees Union, Local 1
Rancho Santiago Community College District
Ravenswood City Elementary School District
Reclamation District No. 1000
Reclamation District No. 900
Redlands Unified School District
Reef-Sunset Unified School District
Rescue Fire Protection District
Rim of the World Unified School District
Rincon del Diablo Municipal Water District
Rincon Valley Union School District
Rio Dell Elementary School District
Rio Hondo Community College District
Ripon Unified School District

Riverbank Unified School District	Selma Kingsburg Fowler County Sanitation District
Riverdale Joint Unified School District	Sequoia Union High School District
Riverside Transit Agency	Shasta Regional Transportation Agency
Roberts Ferry Elementary School District	Shasta Tehama Trinity Joint Community College District
Robla School District	Shasta Union Elementary School District
Rocklin Unified School District	Shasta Union High School District
Rodeo-Hercules Fire Protection District	Shasta Union High School District Charter Schools
Romoland School District	Sierra Joint Community College District
Rosedale Union School District	Sierra Lakes County Water District
Roseland Elementary School District	Sierra Unified School District
Roseville City School District	Silicon Valley Clean Water
Ross School District	Silver Valley Unified School District
Ross Valley Elementary School District	Siskiyou County Office of Education
Rowland Unified School District	Siskiyou Union High School District
Rubidoux Community Services District	Solano County Community College District
Sacramento Suburban Water District	Solano County Office of Education
Saddleback Valley Unified School District	Soledad Unified School District
Salinas Union High School District	Sonoma Valley Unified School District
San Bernardino City Unified School District	South Bay Union School District
San Bernardino Community College District	South County Support Services Agency
San Bernardino County Superintendent of Schools	South Fork Union School District
San Bruno Park School District	South Monterey County Joint Union High School District
San Carlos School District	South Pasadena Unified School District
San Francisco Community College District	South San Francisco Unified School District
San Francisco Unified School District	South San Luis Obispo County Sanitation District
San Gabriel Valley Mosquito & Vector Control District	Southern California Library Cooperative
San Gabriel Valley Municipal Water District	Southern Humboldt Joint Unified School District
San Jacinto Unified School District	Southern Kern Unified School District
San Joaquin County Office of Education	Southern Trinity Joint Unified School District
San Joaquin Delta Community College District	Southwest Transportation Agency
San Juan Water District	Southwestern Community College District
San Lorenzo Unified School District	Squaw Valley Public Service District
San Lorenzo Valley Unified School District	Standard Elementary School District
San Marino Unified School District	Stanislaus County Office of Education
San Mateo County Community College District	Stanislaus Union School District
San Mateo County Office of Education	Steger Sanitary District
San Mateo County Schools Insurance Group	Stellar Charter School
San Mateo Union High School District	Successor Agency to the Redevelopment Agency of the
Santa Ana Unified School District	City and County of San Francisco dba San Francisco
Santa Barbara Community College District	Office of Community Investment and Infrastructure
Santa Barbara County Association of Governments	(OCII)
Santa Clarita Community College District	Sundale Union Elementary School District
Santa Cruz County Office of Education	Sunnyside Union Elementary School District
Santa Maria Public Airport District	Susanville Sanitary District
Santa Monica Community College District	Susanville School District
Santa Paula City Housing Authority	Sutter County Office of Education
Santa Rita Union School District	Sweetwater Authority
Savanna Elementary School District	Taft City School District
Scotia Union Elementary School District	Tahoe-Truckee Sanitation Agency
Scotts Valley Fire Protection District	Tahoe-Truckee Unified School District

TCS Miscellaneous
Temple City Unified School District
Town of Ross
Tracy Joint Unified School District
Trinidad Union School District
Truckee Fire Protection District
Truckee Sanitary District
Trust for Retirees of Associated California Schools
Turlock Unified School District
Tustin Unified School District
United Water Conservation District
Upper San Gabriel Valley Municipal Water District
Val Verde Unified School District
Valley County Water District
Valley Home Joint School District
Valley Sanitary District
Ventura County Community College District
Ventura County Office of Education
Victor Elementary School District
Victor Valley Community College District
Victor Valley Union High School District
Victor Valley Wastewater Reclamation Authority
Vineland Elementary School District
Walnut Creek School District
Wasco Union Elementary School District
Washington Unified School District
Washington Union School District
Weed Union Elementary School District
West Contra Costa Transportation Advisory Committee
West Hills Community College District
West Kern Community College District
West Sonoma County Union High School District
West Valley Mission Community College District
Western Placer Unified School District
Westwood Unified School District
Wheatland School District
Wheatland Union High School District
Williams Unified School District
Willits Unified School District
Winters Joint Unified School District
Winton School District
Woodland Joint Unified School District
Woodside Elementary School District
Yolo County Office of Education
Yosemite Community College District
Yreka Union Elementary School District
Yreka Union High School District
Yuba Community College District
Yuba County Office of Education
Yucaipa-Calimesa Unified School District

CONSULTING SERVICES AGREEMENT

This Agreement is entered into effective the 1st day of June, 2019 by and between Total Compensation Systems, Inc. ("Consultant"), a California corporation with principal offices located at 5655 Lindero Canyon Road, Suite 223, Westlake Village, California, 91362 and Alvord Unified School District ("Customer").

The following shall govern the provision of consulting services by Consultant to Customer.

1. Consulting Services. Consultant shall provide the consulting services described on Schedule 1 attached hereto.
2. Compensation to Consultant. Customer shall pay Consultant for the consulting services described on Schedule 1 attached hereto the compensation set forth on Schedule 2 attached hereto.
3. Term and Termination. (a) Term. This Agreement shall commence on the date first written above and shall continue in effect until December 31, 2020, or until all consulting services described on Schedule 1 have been performed, whichever occurs first, unless sooner terminated in accordance with the provisions of this Agreement. (b) Termination Without Cause. This agreement may be terminated at any time by either party upon sixty (60) days prior written notice to the other party. (c) Termination With Cause. Either party shall have the right to terminate this Agreement upon the failure of either party to observe any of the covenants and agreements required to be observed by it under this Agreement, and such failure continues for a period of thirty (30) days after written notice thereof. (d) Rights and Obligations after Termination. Termination of this agreement shall not relieve either party of any rights or obligations arising out of the Agreement prior to termination, with the exception that the amount of the final payment that shall be made by Customer shall be based solely upon the percentage of work that was completed by Consultant.
4. Customer Will Provide Information. Customer shall provide Consultant with the information necessary for Consultant to provide the consulting services described on Schedule 1 attached hereto.
5. Authorization to Acquire Information. Customer hereby authorizes Consultant to acquire the necessary information reasonably required by Consultant to provide the consulting services described on Schedule 1 attached hereto from any agency, agencies, source or sources.
6. Customer's Right to Provide Information. Customer represents and warrants to Consultant that it has the right to provide the information that will be given by Customer to Consultant, or which will be acquired by Consultant pursuant to paragraphs 4 and 5 above.
7. Limitation on Services. Customer understands that Customer retains sole authority and responsibility for the operation and design of all Customer's employee benefit plans.
8. Ownership of Systems and Materials. All systems, programs, operating instructions, forms and other documentation prepared by or for Consultant shall be and remain the property of Consultant. All data source documents provided by Customer shall remain the property of Customer.
9. Indemnification. (a) By Customer. Customer hereby agrees to defend and indemnify Consultant and hold Consultant harmless against any claims, injury, costs or damages (including actual attorneys' fees incurred) resulting from Customer's gross negligence or willful misconduct. (b) By Consultant. Consultant hereby agrees to defend and indemnify Customer and hold Customer harmless against any claims, injury, costs or damages (including actual attorneys' fees incurred) resulting from Consultant's gross negligence or willful misconduct.

10. General.

- a. Relationship of the Parties. The relationship between Consultant and Customer established by this Agreement is that of independent contractors. Consultant and Customer shall each conduct its respective business at its own initiative, responsibility, and expense, and shall have no authority to incur any obligations on behalf of the other.
- b. Force Majeure. No party shall have liability for damages or non-performance under this Agreement due to fire, explosion, strikes or labor disputes, water, acts of God, war, civil disturbances, acts of civil or military authorities or the public enemy, transportation, facilities, labor, fuel or energy shortages, or other causes beyond that party's control.
- c. Entire Agreement. This Agreement and the Schedules attached hereto contain the entire agreement between the parties and supersedes all previous agreements and proposals, oral or written, and all negotiations, conversations, or discussions between the parties related to the subject matter of this Agreement. This Agreement shall not be deemed or construed to be modified, amended, rescinded, canceled or waived in whole or in part, except by written amendment signed by both of the parties hereto.

11. Confidentiality. Consultant recognizes that its work will bring it into close contact with confidential information of Customer, including personal information about employees of Customer. Consultant agrees not to disclose anything that is the confidential information of Customer, or that is proprietary to Customer, including its software, its legacy applications, and its databases, to any third party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as set forth below.

"CONSULTANT"

TOTAL COMPENSATION SYSTEMS, INC.

Signed: _____


By: _____ Geoffrey L. Kischuk

Title: _____ President

Date: _____ April 22, 2020

"CUSTOMER"

ALVORD UNIFIED SCHOOL DISTRICT

Signed: _____

By: _____

Title: _____

Date: _____

SCHEDULE 1

For the purposes of this Agreement, "consulting services" shall include the following services provided by Consultant to Customer:

Consulting reports including all actuarial information necessary for Customer to comply with the requirements of current GASB accounting standards 74/75 related to retiree health benefits for two years, including one full valuation and one "roll-forward" valuation. Study results will be separated between three employee classifications. Consultant will provide as many copies of the final reports as Customer shall reasonably request.

Services do not include Consultant's attendance at any meetings, unless requested by Customer at the fee shown in Schedule 2. Services also do not include a funding valuation unless requested by Customer at the fee shown in Schedule 2

SCHEDULE 2

Customer shall pay Consultant for the retiree health valuation report based on the full valuation a total of \$8,800. One-half, or \$4,400 shall be due within 30 days of the commencement of work by Consultant. One-half, or \$4,400 shall be due within 30 days of the delivery by Consultant to Customer of the draft consulting report for the full valuation (or within 30 days of contract termination, if earlier). Customer shall also pay Consultant for the retiree valuation report based on the “roll-forward” valuation a total of \$4,400 within 30 days of the delivery by Consultant to Customer of the draft consulting report for the “roll-forward” valuation (or within 30 days of contract termination, if earlier)

If Consultant receives a non-refundable deposit from Customer of \$3,960 by June 1, 2020, all amounts shown above shall be reduced by 10%.

In addition to the above fees, Customer agrees to pay Consultant an all-inclusive fee of \$1,900 per meeting to attend meetings related to the consulting services. Customer shall pay such meeting fees within 30 days of the meeting. Also in addition, to all of the above fees, Customer will pay Consultant \$2,000 for each “funding valuation” requested by Customer. Neither the meeting fee nor the fee for a “funding valuation” shall be subject to the above discount or to any other discounts.