

# TCS Total Compensation Systems, Inc.

May 28, 2021

Dusty Nevatt  
Chief Business Officer  
Alvord Unified School District  
9 KPC Parkway  
Corona, CA 92879-7102

Dear Dusty,

This letter is our proposal for GASB 74/75 actuarial valuation services. The proposal includes a full actuarial valuation as of June 30, 2021 as well as an anticipated roll-forward valuation as of June 30, 2022.

## Fees and Our 10% Discount

To confidently schedule existing clients, we provide 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 July 31, 2021. 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 is not only guaranteed a valuation slot, but is given priority over every client that didn't reserve one. We give a 10% discount of the full valuation fee as well as of the subsequent roll-forward valuation fee to those who reserve a spot by July 31, 2021. That means that, to reserve a spot, we must receive the signed contract and a check for \$4,185 – i.e. one-half of 90% of \$9,300 – by July 31, 2021. 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	\$9,300	\$8,370
Roll-forward Valuation for 2 <sup>nd</sup> Year	\$4,650	\$4,185

Our fees are generally all-inclusive without additional charges for phone calls, re-work, or additional information. However, because the vast majority of our clients do not require an in-person meeting or funding projections, we prefer not to bake those costs into our standard fees. We can present valuation results via telephone or web conference at no charge, and we also can provide a recommended funding schedule at no charge. In cases where additional services are desired, we charge \$1,900 for an in-person meeting and typically \$2,000 for multi-year funding projections or a valuation under alternative scenarios/strategies.

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.

## Second Year Roll-Forward Valuation

As you know, GASB 75 requires a full actuarial valuation at least every two years. Because your last full valuation was performed as of June 30, 2019, you are due for this full valuation as of June 30, 2021. While this proposal does include the subsequent roll-forward valuation that we anticipate performing as of June 30, 2022, we will confirm with you prior to performing that work to ensure circumstances have not changed and that you would still like for us to proceed with the roll-forward valuation.

## Timing and Data Requirements

Our records indicate that you will use the results of this June 30, 2021 valuation in your financials for the fiscal year ending June 30, 2022. This means that the valuation process is spread over a longer timeframe since the valuation census data should still be as of June 30, 2021 but asset and audit information will not be available until several months afterwards.

The following timeline shows when the primary data items are expected to be provided.

<b>Data Item</b>	<b>Anticipated Delivery</b>	<b>Responsible Party</b>
Census Data	June-August	Alvord Unified School District
Asset Information	October-February	Alvord Unified School District
Audit Report/CAFR	January-March	Alvord Unified School District
Draft Report	January-May	TCS

Please let us know if you have any questions about the above or generally about retiree health or pension benefits. 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



Will Kane  
Actuary  
wkane@totcomp.com

**We require the following information in order to complete your retiree health actuarial valuation:**

- **Census Data.** Demographic information as of the valuation date for active employees and retirees receiving health benefits. See below for specific data items needed.
- **Asset Statement.** If retiree health benefits are being funded through an irrevocable trust, please provide the annual trust statement for the full fiscal year ending on the valuation date.
- **Audit Report / CAFR.** Your most recent audited financial statements.
- **Description of Benefit Arrangement.** Either your most recent collective bargaining agreements or a summary of the retiree health benefits and eligibility. If the benefit structure has changed since the last actuarial valuation, a brief description of the change is helpful.
- **Medical Premium Rate Summary.** A summary exhibit that shows the full premium rates (even if the employer only pays up to a certain amount) for medical plans available to active employees and pre-Medicare retirees. Not necessary if you participate in CalPERS Medical as those rates are published and applicable broadly.
- **Other Useful Information.** Every retiree health plan is unique! If there is information not listed above or below that you believe would be helpful, please feel free to provide it.

For Each Active Employee (any active employee who may be eligible for future retiree health benefits)

- Required Information
  - Date of Birth
  - Sex
  - Date of Hire
  - Employee Group (e.g. Police, Fire, Management, Classified, Certificated, Miscellaneous)
  - Full-Time Equivalent Fraction / Full-Time or Part-Time Indicator / Hours Per Week
- Other Helpful Information
  - Name
  - Identifier (e.g. Employee ID, SSN, Last 4 SSN)
  - Active Medical Premium Amount
  - Medical Plan Name
  - Medical Coverage Tier (Single, 2-Party, Family)

For Each Retiree (any retiree receiving health coverage (even if self-pay) or health payments through employer)

- Required Information
  - Date of Birth
  - Sex
  - Date of Retirement (to the extent available)
  - Date/Age Benefit Ends (only needed if differs amongst retirees – e.g. Lifetime for some and to Age 65 for others)
  - Employee Group (e.g. Police, Fire, Management, Classified, Certificated, Miscellaneous)
  - Medical Premium – Total Amount (even if employer only pays up to a capped amount)
  - Medical Premium – Employer Portion (including employer reimbursement of Retiree Portion, if any)
  - Medical Premium – Retiree Portion
  - Employer Paid Amount for any Non-Medical Health Benefits (Dental, Vision, Life Insurance, Medicare Part B, HRA Contributions, Cash-In-Lieu, etc.)
  - Medical Plan Name
  - Medical Coverage Tier (Single, 2-Party, Family)
- Other Helpful Information
  - Name
  - Identifier (e.g. Employee ID, SSN, Last 4 SSN)

## **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  
Acton-Agua Dulce Unified School District  
Adelanto Elementary School District  
Alameda County Office of Education  
Alameda County Waste Management Authority  
Alisal Union School District  
Allan Hancock Joint Community College District  
Alpine Springs County Water District  
Alpine Union Elementary School District  
Alta Loma School District  
Alta Vista Elementary School District  
Alvord Unified School District  
Amador County Office of Education  
Anderson Union High School District  
Antelope Valley College  
Antelope Valley Mosquito & Vector Control District  
Antelope Valley Union High School District  
Antelope Valley-East Kern Water Agency  
Apple Valley Unified School District  
Arcohe Union Elementary School District  
Armona Union Elementary School District  
Aromas-San Juan Unified School District  
Arrowbear Park County Water District  
Arvin Union School District  
Associated Students of San Jose State University  
Atascadero Unified School District  
Atwater Elementary School District  
Auburn Union Elementary School District  
Baldy View Regional Occupation Program  
Banning Unified School District  
Banta Elementary School District  
Barstow Community College District  
Bass Lake Joint Union Elementary School District  
Bassett Unified School District  
Bay Area Rapid Transit District  
Bear Valley Unified School District  
Beaumont-Cherry Valley Recreation and Park District  
Belmont Redwood Shores School District  
Berkeley Unified School District  
Big Bear City Airport  
Big Bear City Community Services District  
Big Pine Unified School District  
Bishop Unified School District  
Blue Lake Union School District  
Bonny Doon Union Elementary School District  
Branciforte Fire Protection District  
Bret Harte Union High School District  
Burbank Unified School District  
Burton School District  
Butte-Glenn Community College District  
Cabrillo College Foundation  
Cabrillo Community College District  
Cachuma Operation and Maintenance Board  
California State University Los Angeles - Auxiliary Services  
Calistoga Joint Unified School District  
Carmel Unified School District  
Carmichael Water District  
Casitas Municipal Water District  
Castro Valley Sanitary District  
Castroville Community Services District  
Central Elementary School District  
Central Union School District  
Centralia Elementary School District  
Ceres Unified School District  
Cerritos Community College District  
Chabot-Las Positas Community College District  
Chaffey Community College District  
Chaffey Joint Union High School District  
Chatom Union School District  
Chino Valley Unified School District  
Chualar Union School District  
Citrus Community College District  
City College of San Francisco Bookstore  
City of Arcata  
City of Auburn  
City of Bell  
City of Bell Gardens  
City of Bellflower  
City of Blue Lake  
City of Buena Park  
City of Calabasas  
City of Canyon Lake  
City of Capitola  
City of Carmel-by-the-Sea  
City of Chino  
City of Chino Hills  
City of Claremont  
City of Colton  
City of Covina  
City of Dunn  
City of East Carbon  
City of Elk Grove  
City of Emeryville  
City of Folsom  
City of Fountain Valley

City of Garden Grove	Corcoran Joint Unified School District
City of Hercules	Corning Union High School District
City of Imperial Beach	Corona-Norco Unified School District
City of Industry	Cotati-Rohnert Park Unified School District
City of Irwindale	Cottonwood Fire Protection District
City of La Puente	Cottonwood Union School District
City of Lafayette	Crestline Sanitation District
City of Lake Forest	Cuesta College
City of Lakeport	Cutten Elementary School District
City of Lawndale	Cypress Charter High School
City of Loma Linda	Cypress School District
City of Los Alamitos	Davis Joint Unified School District
City of Manhattan Beach	Dehesa Elementary School District
City of Menifee	Del Norte County Schools
City of Mission Viejo	Del Paso Manor Water District
City of Morro Bay	Delano Joint Union High School District
City of Oceanside	Denair Unified School District
City of Oroville	Desert Center Unified School District
City of Perris	Desert Health Care District
City of Pomona	Desert Sands Unified School District
City of Porterville	Dinuba Unified School District
City of Rancho Santa Margarita	Diocese of San Bernardino
City of Rolling Hills	Dos Palos Oro Loma Joint Unified School District
City of San Clemente	Downey Unified School District
City of Scotts Valley	Duarte Unified School District
City of Signal Hill	Ducor Union Elementary School District
City of Simi Valley -- General Unit	Durham Unified School District
City of Solvang	East Whittier City School District
City of South Ogden	Eastside Union School District
City of Stanton	El Camino Community College District
Claremont Unified School District	El Dorado Hills County Water District
Cloverdale Unified School District	El Dorado Irrigation District
Coachella Valley Mosquito and Vector Control District	El Dorado Union High School District
Coachella Valley Unified School District	El Rancho Unified School District
Coast Community College District	El Segundo Unified School District
Coastline Regional Occupational Program	El Toro Water District
Coastside County Water District	Elk Grove Benefit Employee Retirement Trust
Coastside Fire Protection District	Elk Grove Unified School District
College and Career Advantage	Emery Unified School District
College of Marin	Escalon Unified School District
College of the Desert	Etiwanda School District
College of the Redwoods	Eureka City Schools
College of the Sequoias	Fairfax Elementary School District
College of the Siskiyous	Fairfield-Suisun Sewer District
Colusa County Office of Education	Feather River Air Quality Management District
Compton Community College District	Feather River Community College District
Compton Creek Mosquito Abatement District	Ferndale Unified School District
Conrad Hilton Foundation	Fieldbrook Elementary School District
Contra Costa Community College District	Fillmore Unified School District
Contra Costa County Office of Education	First 5 San Benito
Copper Mountain Community College District	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  
 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  
 Gravenstein Union Elementary School 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  
 Harmony 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  
 Imperial Community College District  
 Imperial County Office of Education  
 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  
 Julian Union High 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 Canyon Joint Unified 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  
 La Puente Valley County Water District  
 Lafayette School District  
 Laguna Beach County Water District  
 Laguna Beach Unified School District  
 Lake Elsinore 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  
 Lemon Grove School District  
 Lemoore Union Elementary School District  
 Lemoore Union High School District  
 Lewiston Elementary School District  
 Liberty Union High School District  
 Live Oak School District  
 Live Oak Unified School District  
 Livingston Union School District  
 Local Agency Formation Commission for the County of  
 Los Angeles  
 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  
 Lower Tule River Irrigation 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 Union School District  
 Meadows Union Elementary 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 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  
 Napa Valley Community College District  
 Natomas Unified School District  
 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  
 Oak Valley Union Elementary 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  
 Olympic Valley Public Service 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  
 Oxnard Union High School District  
 Pacheco Union School District  
 Pacific Grove Unified School District  
 Pacific Union School District  
 Pacifica School District  
 Pajaro Valley Public Cemetery District  
 Pajaro Valley Unified School District  
 Palermo Union Elementary School District  
 Palo Verde Community College District  
 Palo Verde Unified School District  
 Palomar Community College District  
 Paradise Elementary School District  
 Paradise Irrigation District  
 Paradise Unified School District  
 Parlier Unified School 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  
Pleasant View Elementary School District  
Plumas County Community Development Commission  
Port of Hueneme - Oxnard Harbor District  
Porterville Unified School District  
Poway Unified School District  
Processing Tomato Advisory Board  
PSA2 Area Agency on Aging  
Rancho Santiago Community College District  
Ravenswood City Elementary School District  
Reclamation District No. 1000  
Reclamation District No. 900  
Redlands Unified School District  
Reed Union 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 Bravo-Greeley Union Elementary School District  
Rio Dell Elementary School District  
Rio Hondo Community College District  
Riverbank Unified School District  
Riverdale Joint Unified School District  
Riverside Transit Agency  
Roberts Ferry Elementary School District  
Robla School District  
Rocklin Unified School District  
Rodeo-Hercules Fire Protection District  
Rosedale Union School District  
Roseland Elementary School District  
Roseville City School District  
Ross School District  
Ross Valley Elementary School District  
Rowland Unified School District  
Rubidoux Community Services District  
Sacramento Suburban Water District  
Saddleback Valley Unified School District  
Salinas Union High School District  
San Bernardino City Unified School District  
San Bernardino Community College District  
San Bernardino County Superintendent of Schools  
San Bruno Park School District  
San Carlos School District

San Francisco Community College District  
San Francisco Unified School District  
San Gabriel Valley Mosquito & Vector Control District  
San Gabriel Valley Municipal Water District  
San Jacinto Unified School District  
San Joaquin County Office of Education  
San Joaquin Delta Community College District  
San Juan Water District  
San Lorenzo Unified School District  
San Marino Unified School District  
San Mateo County Community College District  
San Mateo County Office of Education  
San Mateo County Schools Insurance Group  
San Mateo Union High School District  
Santa Ana Unified School District  
Santa Barbara Community College District  
Santa Barbara County Association of Governments  
Santa Barbara County Education Office  
Santa Clarita Community College District  
Santa Cruz County Office of Education  
Santa Maria Joint Union High School District  
Santa Maria Public Airport District  
Santa Monica Community College District  
Santa Paula City Housing Authority  
Santa Rita Union School District  
Santa Ynez River Water Conservation District  
Saucelito Irrigation District  
Savanna Elementary School District  
Scotia Union Elementary School District  
Scotts Valley Fire Protection District  
Scotts Valley Water District  
Selma Kingsburg Fowler County Sanitation District  
Sequoia Union High School District  
Serrano Water District  
Shasta Regional Transportation Agency  
Shasta Tehama Trinity Joint Community College District  
Shasta Union High School District  
Shasta Union High School District Charter Schools  
Sierra Joint Community College District  
Sierra Lakes County Water District  
Sierra Unified School District  
Silicon Valley Clean Water  
Silver Valley Unified School District  
Siskiyou County Office of Education  
Siskiyou Union High School District  
Solano County Community College District  
Solano County Office of Education  
Soledad Unified School District  
Sonoma Valley Unified School District  
South Bay Union School District  
South County Support Services Agency

South Fork Union School District  
 South Monterey County Joint Union High School District  
 South Pasadena Unified School District  
 South San Francisco Unified School District  
 South San Luis Obispo County Sanitation District  
 Southern California Library Cooperative  
 Southern Humboldt Joint Unified School District  
 Southern Kern Unified School District  
 Southern Trinity Joint Unified School District  
 Southwest Transportation Agency  
 Southwestern Community College District  
 Standard Elementary School District  
 Stanislaus County Office of Education  
 Stanislaus Union School District  
 Stege Sanitary District  
 Stockton Unified School District  
 Successor Agency to the Redevelopment Agency of the  
     City and County of San Francisco dba San Francisco  
     Office of Community Investment and Infrastructure  
     (OCII)  
 Sundale Union Elementary School District  
 Sunnyside Union Elementary School District  
 Susanville Sanitary District  
 Susanville School District  
 Sutter Cemetery District  
 Sutter County Office of Education  
 Sweetwater Authority  
 Taft City School District  
 Tahoe-Truckee Sanitation Agency  
 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  
 Tulare City School District  
 Turlock Unified School District  
 Tustin Unified School District  
 United Water Conservation District  
 Upper Lake Unified School District  
 Upper San Gabriel Valley Municipal Water District  
 Val Verde Unified School District  
 Vallecitos Water 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 Wastewater Reclamation Authority  
 Vineland Elementary School District  
 Walnut Creek School District  
 Waltham Housing Authority  
 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  
 Westside Union 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, 2021 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, 2023, 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.

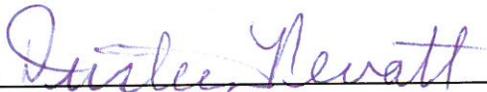
Signed: 

By: Geoffrey L. Kischuk

Title: President

Date: May 28, 2021

"CUSTOMER"  
ALVORD UNIFIED SCHOOL DISTRICT

Signed: 

By: Chief Business Officer

Title: Dusteen Nevatt

Date: 1-12-2022

## 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.

## SCHEDULE 2

Customer shall pay Consultant for the retiree health valuation report based on the full valuation a total of \$9,300. One-half, or \$4,650 shall be due within 30 days of the commencement of work by Consultant. One-half, or \$4,650 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 \$4,650 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 \$4,185 by July 31, 2021, 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, and such fee is not subject to the above discount or to any other discounts.