City of Jacksonville, Florida

Lenny Curry, Mayor

City Hall at St. James
117 W. Duval St.
Jacksonville, FL 32202
(904) 630-CITY
www.coj.net

ONE CITY. ONE JACKSONVILLE.

June 24, 2019

MEMORANDUM

TO: Greg Pease, Chief of Procurement

THRU: Patrick "Joey" Greive, Director of Finance & Administration/CFO

FROM: Randall Barnes, Treasurer

RE: Amendment of Scope for Award to P-39-19 PB#1 Actuarial Services

On June 13, 2019, the Professional Services Evaluation Committee authorized the Finance and Administration Department/Treasury Division to enter into an agreement piggybacking Contract No. 10382 per Purchasing Code 126.309/126.211 with The Segal Company for Actuarial Consulting Services. The award specifically mentioned that the City of Jacksonville requires actuarial consulting services to perform actuarial valuations and studies related to the Disability and Survivorship Plan. It has since been determined that the City also requires actuarial consulting services for a separate retirement plan which could most efficiently be performed under this same agreement.

Therefore, the Finance and Administration Department, Treasury Division, requests that the Professional Services Evaluation Committee amend the award to Segal to include General Actuarial Consulting Services rather than services for a specific plan. No changes to the not-to-exceed maximum indebtedness, fees, or other terms are necessary.

SERVICES CONTRACT BETWEEN
BOARD OF TRUSTEES OF THE CITY OF JACKSONVILLE RETIREMENT SYSTEM
AND
THE SEGAL COMPANY (EASTERN STATES), INC.
FOR
ACTUARIAL CONSULTING SERVICES

THIS CONTRACT ("Contract"), made and entered into this 21st day of December, 2017 (the "Effective Date"), by and between the BOARD OF TRUSTEES OF THE CITY OF JACKSONVILLE RETIREMENT SYSTEM (the "BOARD"), a municipal corporation existing under the Constitution and the laws of the State of Florida, and THE SEGAL COMPANY (EASTERN STATES), INC., (the "ACTUARY), a New York corporation authorized to transact business in Florida and with its principal offices at 2018 Powers Ferry Road, Suite 850, Atlanta, Georgia 30339.

WHEREAS, the BOARD issued a Request for Proposal No. T-72-17 (including all addendum, the "RFP"), bid date August 14, 2017, for certain services described in the RFP (the "Services"); and

WHEREAS, based on ACTUARY'S response to the RFP dated August 14, 2017 consisting of 111 pages (the "Response"), the BOARD has negotiated and awarded this Contract to ACTUARY;

NOW THEREFORE, in consideration of the premises and the mutual covenants contained below, the parties agree as follows:

1. **Performance of Services**. The Services will be performed by ACTUARY as specified in the RFP and the Response.

2. **Compensation**. ACTUARY will be paid by the BOARD for the Services as specified on the Price Sheet attached hereto as Exhibit A.

3. **Maximum Indebtedness**. As required by Section 106.431, *Ordinance Code*, the BOARD's maximum indebtedness, for all products and services under this Contract including all shall be a fixed monetary amount not-to-exceed NINE HUNDRED THOUSAND AND NO/100 DOLLARS ($900,000.00); however, only $89,000 is being encumbered at the time of execution of this Contract; remaining sums shall be subject to the approval of annual appropriations by City Council for this Contract.

4. **Term**. The initial term of this Contract shall commence on the Effective Date and shall expire five (5) years thereafter, on December 20, 2022, unless sooner terminated by either party in accordance with the terms of the RFP. This Contract may be renewed for up to two (2), additional two (2) year periods by (i) the BOARD in it its sole discretion, upon written notice to ACTUARY at least sixty (60) days prior to end of the then-current term, or (ii) upon the mutual agreement of the parties. The Board may terminate this Contract for convenience as set forth in Section 3.23 and elsewhere of the RFP. Upon termination of this Contract, Actuary

may retain an archival copy of information provided by the Board to Actuary in the course of its performance of the Services hereunder as necessary to document Contractor's provision of the Services and in accordance with Contractor's business continuity and document retention policies.

5. **Ownership of Works; Intellectual Property**. Notwithstanding any other provisions herein to the contrary, except to the extent that they incorporate Actuary's proprietary know-how, software, techniques, methodologies and report formats (collectively, "Actuary's Proprietary Information"), all documents, data, and other tangible materials authored or prepared and delivered by Actuary to Board under the terms of the Contract (collectively, the "Deliverables"), are the sole and exclusive property of Board, once paid for by Board. To the extent that Actuary's Proprietary Information is incorporated into such Deliverables, Board will have a perpetual, nonexclusive, worldwide, royalty-free license to use, copy, and modify Actuary's Proprietary Information as part of the Deliverables, for use internally (and except as the same may be required to be disclosed under applicable law) and for its intended purpose. For avoidance of doubt, any use of the Deliverables for other than their intended use is at Board's sole risk.

6. **Contract Documents**. This Contract consists of the following documents which are hereby incorporated as if fully set forth herein and which, in case of conflict, shall have priority in the order listed:

- This document, as modified by any subsequent signed amendments;
- Any amendments to the RFP;
- Specific Information Regarding the RFP (Section 1 of the RFP);
- Description of Services (Section 4 of the RFP) ;
- General Instructions (Section 2 of the RFP);
- General Terms and Conditions of Agreement (Section 3 of the RFP);
- Any Purchase Order under the Contract;
- The Response, provided that any terms in the Response that are prohibited under the RFP shall not be included in this Contract.

7. **Notices**. All notices under this Agreement shall be in writing and shall be delivered by certified mail, return receipt requested, or by other delivery with receipt to the following:

As to the BOARD:

Board of Trustees of the City of Jacksonville Retirement System
117 W. Duval Street, Suite 330
Jacksonville, Florida 32202
Attn: Patrick "Joey" Greive / Treasurer

With Copy to:

Office of General Counsel
City of Jacksonville

Attn: Government Operations
117 West Duval Street, Suite 480
Jacksonville, Florida 32202

As to the ACTUARY:

Jeff Williams
The Segal Company (Eastern States), Inc.
2018 Powers Ferry Road, Suite 850
Atlanta, GA 30339

8. **Contract Managers**. Each Party will designate a Contract Manager during the term of this Contract whose responsibility shall be to oversee the Party's performance of its duties and obligations pursuant to the terms of this Contract. As of the Effective Date, BOARD'S Contract Manager is Patrick "Joey" Greive, and the ACTUARY'S Contract Manager is Jeff Williams. Each Party shall provide prompt written notice to the other Party of any changes to the Party's Contract Manager or his or her contact information; provided, such changes shall not be deemed Contract amendments and may be provided via email.

9. **Entire Agreement**. This Contract constitutes the entire agreement between the parties hereto for the Services to be performed and furnished by the ACTUARY. No statement, representation, writing, understanding, agreement, course of action or course of conduct, made by either party or any representative of either party, which is not expressed herein shall be binding. ACTUARY may not unilaterally modify the terms of this Contract by affixing additional terms to materials delivered to the BOARD (e.g., "shrink wrap" terms accompanying or affixed to a deliverable) or by including such terms on a purchase order or payment document. ACTUARY acknowledges that it is entering into this Contract for its own purposes and not for the benefit of any third party.

10. **Amendments**. All changes to, additions to, modifications of, or amendment to this Contract, or any of the terms, provisions and conditions hereof, shall be binding only when in writing and signed by the authorized officer, agent or representative of each of the parties hereto.

11. **Counterparts**. This Contract, and all amendments thereto, may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

[Remainder of page left blank intentionally. Signature page follows immediately.]

IN WITNESS WHEREOF, the parties have executed this Contract as of the day and year first above written.

ATTEST:

BOARD OF TRUSTEES OF THE CITY OF JACKSONVILLE RETIREMENT SYSTEM

By N/A
James R. McCain, Jr.
Corporation Secretary

By:
Name Printed: David Kilcrease
Its:

In accordance with Section 24.103(e), of the *Ordinance Code* of the City of Jacksonville, I do hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing agreement; and that provision has been made for the payment of monies provided therein to be paid.

Director of Finance

Form Approved:

Office of General Counsel

ATTEST:

THE SEGAL COMPANY (EASTERN STATES) INC., a New York corporation

By Danielle Cook
Signature

Danielle Cook
Type/Print Name

Associate Actuary
Title

By
Signature

Jeffrey S. Williams
Type/Print Name

Vice President and Consulting Actuary
Title

GC #1169762-v1-GEPP_Board of Trustees Segal Company contract for actuarial consulting.doc

Exhibit B

Price Sheet

9. QUOTATION OF RATES, FEES OR CHARGES AND OTHER DETAILED COST PROPOSAL OR COST BREAKDOWN INFORMATION.

Describe the Contractor's overall willingness to meet both time and budget requirements for the project, and subject to Chapter 126, Part 3 of Jacksonville Ordinance Code, Section 126.302(e) in particular, proposed total compensation or unit price quotations, including, without limitation, hourly rates, fees, or other charges that will ultimately be used during, contract negotiations to calculate or determine total compensation.

Throughout the past seven years working together, Segal has strived to provide value to Jacksonville for the fees charged and keep fees at a reasonable level. To that end, the hourly rates we have billed for the past seven years for non-recurring work have been less than the team members' actual billable rates during this time period; we will continue to provide a discount on our hourly rates.

Our proposed fees for the annually recurring work of which we are aware are as follows:

Project	Annual Fee, Year Beginning January 1				
	2018	2019	2020	2021	2022
Annual valuations for General and Corrections Plans	$52,500	$52,500	$53,500	$54,000	$54,500
GASB 67 and 68 disclosures for General and Corrections Plans	$9,000	$9,500	$10,000	$10,500	$11,000
Chapter 112.664 filings for General and Corrections Plans	$5,000	$5,250	$5,500	$5,750	$6,000
Five-Year experience study for General and Corrections Plans	Minimum $43,000, Maximum $45,000				
Annual valuation for Disability Plan	$15,000 per year, as requested				
GASB 67 and 68 disclosure for Disability Plan	$5,000 per year, as requested				
Chapter 112.664 filings for Disability Plan	$4,000 per year, as requested				

Our proposed hourly fees for non-recurring work for which there is not a set fee are:

Position	Hourly Rates, Year Beginning January 1				
	2018	2019	2020	2021	2022
Consulting/Signing Actuary	$385	$395	$410	$420	$435
Assistant Actuary	$325	$335	$350	$360	$375
Senior Actuarial Analyst	$275	$285	$300	$310	$325

If Mr. Rocky Joyner or Ms. Melanie Walker (Compliance Manager) provide routine services to the System, they will be billed at the Consulting/Signing Actuary's rates. If Ms. Danelle Cook provides services, she will be billed at the Assistant Actuary's rates. These are substantial discounts to the usual rates for Rocky, Melanie, and Danelle. Any work related to lawsuits or depositions in which they may be asked to assist will be billed at their true hourly rates.

A set fee can be negotiated for non-recurring project work ahead of the beginning of the assignment, if desired and practical for both parties.

City of Jacksonville, Florida

Lenny Curry, Mayor

Procurement Division
Ed Ball Building
214 N. Hogan Street, Suite 800
Jacksonville, Florida 32202

ONE CITY ONE JACKSONVILLE

July 31, 2017

Ref: T-72-17 Actuarial Services for the Jacksonville Retirement System

Dear Consultant:

The Finance and Administration Department/Treasury Division of the City of Jacksonville, Florida, will require the professional services of a consultant/firm to provide the referenced services. Attached is a copy of the Request for Proposal.

In order to establish a list of qualified, interested and available people, this letter is being directed to you. If interested in providing the specific services, please provide the City with the following:

A) ONE (1) MANUALLY SIGNED ORIGINAL, FOUR (4) HARD COPIES, AND FIVE (5) EXACT COPIES on CD Rom/USB Flash Drives (in pdf format excluding your financials) of your proposal, unless additional copies are otherwise requested in the Request for Proposals, specifically stating your interest and any other specific information or statements called for in the enclosed Request for Proposals.

B) Complete information about your firm and staff qualifications.

C) A list of projects which indicate specific background and experience in the program area being considered.

D) A quotation of proposed rates, fees or charges and other detailed cost proposal or cost breakdown information, if applicable.

E) Please note: FIVE (5) copies of the firm's financial statement (if required), may be submitted sealed envelopes, each envelope clearly labeled "Pursuant to Section 119.071(1)(c), Florida Statutes, the document contained herein is exempt from the mandatory disclosure requirements of the Florida Public records Law. Accordingly it is not Subject to Public Inspection." Include your firm's name and the number of the project as shown above. In certain cases (roads and public works projects) may not be subject to the Public Records Law.

Please note:

1) Section 126.110 of the Purchasing Code requires that a public official who has a financial interest in a bid or contract make a disclosure at the time that the bid or contract is submitted or at the time that the public official acquires a financial interest in the bid or contract, including but not limited to the public official's name, public office or position held, bid or proposal number, and the position or relationship of the public official with the bidder or proposer.

2) A person or affiliate who has been placed on the State of Florida convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to