

AGREEMENT

THIS AGREEMENT, made and entered into on this 2nd day of May, 2017, by and between **JACKSON COUNTY, MISSOURI**, hereinafter called "the County," and **CHEIRON**, 1750 Tysons Boulevard, Suite 1100, McLean, VA 22102, hereinafter called "Consultant."

WITNESSETH:

WHEREAS, the Fraternal Order of Police, West Central Missouri Regional Lodge 50 (FOP), the bargaining unit for the certain associates within the Sheriff's Office, has submitted a request to increase the benefits of members of its bargaining unit under the Jackson County Employees' Pension Plan; and,

WHEREAS, pursuant to section 105.665, RSMo, an actuarial study is required to determine the cost of such an increase before it can be considered for implementation; and,

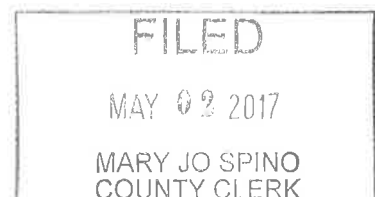
WHEREAS, Consultant was selected by the Pension Plan's Board of Trustees after competitive solicitation to provide such services to the Board; and,

WHEREAS, Consultant has agreed to perform this work in accordance with the terms, conditions, and covenants as set forth in this Agreement; and,

WHEREAS, Consultant and the County have agreed to be bound by the provisions hereof,

NOW, THEREFORE, in consideration of the foregoing and the terms and provisions herein contained, the County and Consultant respectively agree as follows:

1. Consultant shall fulfill its contractual obligations by providing an actuarial cost study regarding potential changes in benefits for certain members of the FOP related to the



County's Pension Plan, as is more fully set out in the Engagement Letter dated April 11, 2017, attached hereto as Exhibit A and incorporated herein by reference.

2. Consultant shall work as an independent contractor and not as an employee of the County. Consultant shall be subject to the direction of the County only as to the result to be accomplished and not as to the means and methods for accomplishing the result. Consultant shall report all earnings received hereunder as its gross income, and be responsible for its own Federal, State, and City withholding taxes and all other taxes, and shall operate its business independent of the business of the County, except as required by this Agreement.

3. The County shall pay Consultant for services rendered under this Agreement at its standard hourly rates in a total amount not to exceed \$5,000.00. Consultant shall bill County for its services at the conclusion of this engagement and County shall pay Consultant promptly upon receipt of Consultant's statement.

4. Consultant shall bear all of the expenses of its work under this Agreement.

5. This Agreement shall commence upon execution, and shall terminate on December 31, 2017, unless sooner terminated. Consultant or the County may terminate this Agreement for any reason by giving thirty (30) days' written notice to the other party. Termination of this Agreement shall not constitute a waiver of the rights or obligations which the County or Consultant may be entitled to receive or be obligated to perform under this Agreement for services prior to the date of termination. Should this Agreement terminate, all County written materials of any kind must be delivered and returned by the Consultant to the County within ten (10) days of the termination of this Agreement. If the County cancels this Agreement prior to the completion of the engagement, Consultant shall

be entitled to a fee based on a percentage of the work actually completed.

6. Consultant agrees, in addition to all other provisions herein, that Consultant shall not assign any portion or the whole of this Agreement without the prior written consent of the County.

7. Timely performance of all duties provided herein is of the essence of this Agreement.

8. Consultant agrees to faithfully observe and perform all of the terms and conditions of this Agreement, and Consultant's failure to do so shall represent and constitute a breach of this Agreement. In such event, Consultant consents and agrees as follows:

(1) The County may without prior notice to Consultant immediately terminate this Agreement; and,

(2) The County shall be entitled to seek any available legal remedy and to collect from Consultant all costs incurred by the County as a result of said breach including reasonable attorney's fees, costs, and expenses.

9. If any covenant or other provision of this Agreement is invalid, or incapable of being enforced, by reasons of any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect and no covenant or provision shall be deemed dependent upon any other covenant or provision unless so expressed herein.

10. Consultant warrants that no officer or employee of the County, whether elected or appointed, shall in any manner whatsoever be interested in or receive any benefit from the profits or emoluments of this Agreement.

11. Pursuant to §285.530.1, RSMo, Organization assures that it does not knowingly employ, hire for employment, or continue to employ an unauthorized alien to perform work within the State of Missouri and/or Jackson County, and shall affirm, by sworn affidavit and provision of documentation, its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services. Further, Organization shall sign an affidavit, attached hereto and incorporated herein as Exhibit B, affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services.

12. This Agreement incorporates the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the parties hereto have signed and executed this Agreement as of the date first above written.

JACKSON COUNTY, MISSOURI

CHEIRON

By Scott Burnett
Scott Burnett
Chairman of the Legislature

By [Signature]
Federal Tax ID No. 13-4215617

APPROVED AS TO FORM:

ATTEST:

[Signature]
W. Stephen Nixon
County Counselor

[Signature]
Mary Jo Spino
Clerk of the Legislature

REVENUE CERTIFICATE

I hereby certify that there is a balance otherwise unencumbered to the credit of the appropriation to which this contract is chargeable, and a cash balance otherwise unencumbered in the treasury from which payment is to be made, each sufficient to meet the obligation of \$5,000.00 which is hereby authorized.

April 21, 2017
Date

[Signature]
Chief Financial Officer
Account No. 001-0112-56790

01122017004

Via Electronic Mail

April 11, 2017

Exhibit A

Mr. Dennis Dumovich
Human Resources Director
Jackson County, Missouri
415 E 12th Street
Kansas City, MO 64106

***Re: Jackson County, Missouri Revised Pension Plan and Trust
Sheriffs' Actuarial Cost Study***

Dear Dennis:

You have requested an actuarial cost study regarding potential changes in benefits for Sheriffs in the Jackson County, Missouri Revised Pension Plan and Trust (JCRP). The proposed changes are summarized as follows:

- Increase pension multiplier from 1.5% to 2.5%
- Eligibility for unreduced pension at earlier of 20 years of service or age 55
- Average monthly earnings based on high 3 years out of last 10 years
- Maximum pension equal to 100% of members' salary at retirement
- Vesting eligibility increased from 5 years to 15 years

The study will be based upon the participant data and actuarial assumptions as were used for the July 1, 2016 actuarial valuation. We will need for you to provide a list of employees in the participant data who would be eligible for this revised benefit. We expect that we can provide the results of the study in about four weeks after receiving this information.

We will charge our regular hourly rates for the study with a maximum not-to-exceed fee of \$5,000.

Please let us know if you have any questions about this letter. You may reach Mike Noble or me at 1-877-243-4766. Mike's extension is 1209 and my extension is 1030.

Sincerely,
Cheiron



Stephen T. McElhaney, FCA, FSA
Principal Consulting Actuary

cc: Mike Noble, FCA, FSA

WORK AUTHORIZATION AFFIDAVIT

As a condition for any service provided to the County, a business entity shall, by sworn affidavit and provision of documentation, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Business entity, as defined in section 285.525, RSMo pertaining to section 285.530, RSMo, is any person or group of persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood. The term "business entity" shall include but not be limited to self-employed individuals, partnerships, corporations, contractors, and subcontractors. The term "business entity" shall include any business entity that possesses a business permit, license, or tax certificate issued by the state, any business entity that is exempt by law from obtaining such a business permit, and any business entity that is operating unlawfully without such a business permit.

Every such business entity shall complete the following affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services. The completed affidavit must be returned as a part of the contract documentation.

This affidavit affirms that **CHEIRON** is enrolled in, and is currently participating in, E-verify or any other equivalent electronic verification of work authorization operated by the United States Department of Homeland Security under the Immigration Reform and Control Act of 1986 (IRCA); and, **CHEIRON**, does not knowingly employ any person who is an unauthorized alien in conjunction with the contracted services.

In Affirmation thereof, the facts stated above are true and correct. (The undersigned understands that false statements made in this filing are subject to the penalties provided under section 575.040, RSMo.)

[Signature]
Authorized Representative's Signature
Principal Consulting Actuary
Title

Stephen T. McElhaneey
Printed Name
4/21/2017
Date

Subscribed and sworn before me this 21 day of April, 2017. I am commissioned as a notary public within the County of Henrico, State of Virginia, and my commission expires on Jan. 31, 2020.

[Signature]
Signature of Notary

4/21/2017
Date

