

JEFFERSON SOLUTIONS, INC.
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July 6, 2024

Mr. Scott Parke, Comptroller
Weber County

Re: GASB 75 Report - Actuarial Valuation - December 31, 2024 (with optional years through December 31, 2027)

Dear Scott:

Thank you for contacting Jefferson Solutions. As we discussed, I am providing you with a quote for a GASB 75 actuarial valuation.

We look forward to the opportunity to assisting you in developing a valuation under GASB 75. This letter outlines our understanding of the terms and objectives of our engagement.

We plan to start the engagements on or about January 12, 2025 and (unless unforeseeable problems are encountered) complete the engagement by March 28, 2025. We will analyze the underlying demographic data along with summary plan descriptions to determine your organization's liability under GASB 75. The purpose of our engagement is to calculate your County's full OPEB liability and determine the annual required contributions and annual accrued liability. Our report will include all information required for disclosure in the County's financial statements for the year ending December 31, 2024.

The following reflects the scope of services to be provided to the County. Jefferson Solutions will:

1. Conduct a telephone conference as necessary to plan the project and make necessary decisions and report progress with regard to conduct of the analysis as well as educate County staff on the GASB 75 requirements.
2. Analyze the data to assess any inconsistencies and make recommendations for enhancing data quality.
3. Planning with County – Review plan provisions, discuss and select actuarial assumptions and agree on a project plan.
4. Prepare an actuarial valuation following GASB 75 standards.
5. The GASB 75 analysis will include all applicable County employees and retirees. Our report will include:
 - a. An Actuarial Valuation Opinion.
 - b. An Executive Summary presenting key results and figures.
 - c. Summary of Actuarial Valuation Results. This section will provide a summary of the actuarial valuation results.

- d. Summary of Assets (if applicable).
- e. Development of Total OPEB Liability. This section will show the development of the Total OPEB Liability which is to be accrued to date.
- f. Actuarial Experience. This section will illustrate the actuarial gains and losses that arise from experience different from that previously assumed, changes in actuarial assumptions and methods, and changes in program provisions.
- g. Development of Fiscal Year Expense. This section will illustrate the development of the expected OPEB expense under GASB No. 75 for fiscal year ending December 31, 2024.
- h. Schedule of Deferred Outflows and Deferred Inflows of Resource as required for disclosure in the organization's footnotes.
- i. 10-Year Projection of Employer Benefit Payments (as applicable).
- j. Assumption Sensitivity. This section will provide information about the sensitivity of the Total OPEB Liability to certain assumptions made in this actuarial valuation; primarily healthcare inflation trends and discount rate.
- k. Summary of Demographic Information showing relevant information about the population included in the valuation.
- l. A summary of Program Provisions illustrating the overall eligibility provisions for retiree health coverage, graduated eligibility provisions, the various plans offered by the organization, and Medicare integration methods by plan.
- m. Summary of actuarial methods and actuarial assumptions detailing the assumptions used to determine the organizations OPEB cost and obligation.
- n. Glossary of key terms used in the report.

In performing our engagement, we will be relying on the accuracy and reliability of information provided by the County. We will not audit the information. Please also note that our engagement cannot be relied on to disclose errors, fraud, or other illegal acts that may exist. The procedures we perform in our engagement will be heavily influenced by the representations that we receive from County personnel.

You agree to assume all management responsibilities for the actuarial services we provide; you will oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; you will evaluate the adequacy and results of the services; and you will accept responsibility for them.

Jefferson Solutions shall retain all rights, title, and interest (including, without limitation, all copyrights, patents, service marks, trademarks, trade secret, and other intellectual property rights) in and to all technical or internal designs, methods, ideas, concepts, know-how, techniques, generic documents, and templates that have been previously developed by Jefferson Solutions or developed during the course of the provision of the Services, provided such generic documents or templates do not contain any Plan Sponsor Confidential Information or proprietary data. Rights and ownership by Jefferson Solutions of original technical designs, methods, ideas, concepts, know-how, and techniques shall not extend to or include all or any part of the Plan Sponsor's proprietary data or Plan Sponsor Confidential Information.

To the extent that Jefferson Solutions may include in the materials any pre-existing Jefferson Solutions proprietary' information or other protected Jefferson Solutions materials, Jefferson Solutions agrees that Plan Sponsor shall be deemed to have a fully paid up license to make

copies of the Jefferson Solutions-owned materials as part of this engagement for its internal business purposes and provided such materials cannot be modified or distributed outside the Plan Sponsor without the written permission of Jefferson Solutions. Notwithstanding anything herein to the contrary, the parties acknowledge that the Weber County is a municipality in the State of Utah and will comply with all Freedom of Information Laws and other laws requiring disclosure of public documents. Nothing in this contract shall be read to restrict the County's obligations concerning disclosure of public documents.

Mandatory Arbitration. Claims, disputes or other matters in question between the Parties to this Agreement shall be subject initially to mandatory but non-binding mediation. In the event that such claim, dispute, or other matter in question may not be resolved by mediation, any dispute under this Agreement shall be required to be resolved by binding arbitration. If the Parties cannot agree on an arbitrator, each Party shall select one arbitrator and both arbitrators shall then select a third. The third arbitrator so selected shall arbitrate said dispute. The arbitration shall be governed by the rules of the American Arbitration Association then in force and effect.

Governing Law. The provision of this Agreement shall be governed by the laws of the State of Utah.

Agreement. This is the entire agreement between the parties.

Validity. The invalidity of any portion of this Agreement will not and shall not be deemed to affect the validity of any other provision. If any provision of this Agreement is held to be invalid, the Parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both Parties subsequent to the expungement of the invalid provision.

Waiver. The failure of either Party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or waiver of any breach of any of the terms and conditions of this Agreement, shall not be construed as subsequently waiving any such terms and conditions, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

Captions and Headings. The captions and headings herein are for convenience of reference only and in no way define, limit or describe the scope or intent of any sections or provisions of this Agreement.

Our fees for these services will are as follows:

Reporting Period	Service	County	911	Total
December 31, 2024	Full GASB 75 Valuation	\$5,165	\$2,565	\$7,730
December 31, 2025	Update GASB 75 Valuation	\$1,800	\$900	\$2,700
December 31, 2026	Full GASB 75 Valuation	\$5,500	\$2,700	\$8,200
December 31, 2027	Update GASB 75 Valuation	\$1,880	\$980	\$2,860

We appreciate the opportunity to be of service to you and believe that this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy to confirm your understanding, and return it to us.

Sincerely,



Raymond R. Cerrone CPA¹

RESPONSE:

This letter correctly sets forth the understanding of Weber County.

Signature

Title

¹ Please advise us if benefits have changed from the Prior Year, this will result in a revised fee arrangement.

**Weber County
Contract Amendment**

To be attached and made part of the Memorandum of Understanding (MOU) between Weber County Corporation (County) and Jefferson Solutions, Inc (contractor) dated July 6, 2024 and titled GASB 75 Report – Actuarial Valuation – December 31, 2024 (with optional years through December 31, 2027).

The parties agree to amend the MOU to include an additional provision as follows:

Confidentiality. Jefferson Solutions agrees to keep all data provided by Weber County strictly confidential and not to disclose or in any manner make it known to any third party, except with the express written permission of the County or except as required by a legal or regulatory requirement. If Jefferson Solutions violates this confidentiality provision, either intentionally or inadvertently, Jefferson Solutions will indemnify and hold harmless Weber County from and against all liability that results from the violation. Furthermore, Utah state law requires a contractor to be subject to the requirements of Utah Code title 63A, chapter 19, to the same extent as a governmental entity, with regard to the personal data processed or accessed by the contractor. See Utah Code section 63A-19-401(4). “Personal data” is defined in Utah Code section 63A-19-101. Jefferson Solutions certifies that it is familiar with, and will comply with, the requirements of Utah Code title 63A, chapter 19, to the same extent as required of Weber County, with regard to the personal data processed or accessed by Jefferson Solutions as a part of its duties under this Agreement.

All other conditions and terms in the original MOU remain the same.

In witness whereof, the parties sign and cause the amendment to be executed.



07-22-2024

Contractor’s signature

Date

Raymond R. Cerrone, CEO

Print Name and Title

James Harvey, Chair

Date

Weber County Commission