



Date: August 15, 2022
To: Board of Trustees, Town of Palm Beach Retirement System
From: Valmiki N. Ramsewak, GRS
Re: **Software Services Fee Increase Request as of October 2022**

The Software Services Agreement as amended through Amendment 1 on May 20, 2022 between the Board of Trustees of the Town of Palm Beach Retirement System and GRS calls for annual increases in the maintenance fees.

The agreement requires GRS to request the fee increase from the Board in writing prior to the start of the upcoming Plan year.

The agreement also specifies how the CPI shall be calculated based on direction from the Town.

As provided by the Town in the attached email, the year over year CPI increase is 10.02%.

Based on this we have calculated a quarterly fee increase of \$296.92, resulting in a quarterly fee increase from \$2,963.27 as of October 2021 to \$3,260.19 as of October 2022.

We thank the Board for their time and consideration with this matter.

AMENDMENT NO. 1 TO SOFTWARE SERVICES AGREEMENT

THIS AMENDMENT NO. 1 to the SOFTWARE SERVICES AGREEMENT by and between the TOWN OF PALM BEACH RETIREMENT SYSTEM (“Board”) and GABRIEL, ROEDER, SMITH & COMPANY (“GRS”), dated August 16, 2019 is entered into this 30th day of MAY, 2022.

WITNESSETH:

WHEREAS, on August 16, 2019 the Board of Trustees of the Town of Palm Beach Retirement System (“Board”) entered into the Software Services Agreement with GRS for the installation and maintenance of an online benefit calculator (“Agreement”), with the annual fee for maintenance to begin after the initial installation of the online benefit calculator was complete; and

WHEREAS, the Agreement provides that the annual maintenance fee shall be increased based on changes to the Consumer Price Index (“CPI”), and requires GRS to notify the Board in writing of such increase, which must be approved before work continues; and

WHEREAS, the parties desire to clarify the CPI Index that governs the Agreement and to amend the process by which CPI adjustment requests are made to be consistent with the Town’s procedures; and

WHEREAS, the Board has determined that amending the Agreement in the best interest of the Plan and its members.

NOW, THEREFORE, for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties do agree that the Agreement is amended as follows:

1. The above recitals are true and correct and are incorporated herein.
2. Section E “Annual Maintenance Fee” is revised as follows:

E. Annual Maintenance Fee

The Board will be billed an annual maintenance fee to cover the following support services:

1. Maintaining a working version of the software hosted on a secure server that is under the control of GRS.
2. Importing biweekly payroll feeds into the GRS system.
3. Providing fixes for reported programming errors.
4. Updating the IRC 415 screener annually.

5. Providing telephone/e-mail support as needed during GRS business hours.

The first year fee shall be \$11,200. Fees in subsequent years shall increase based on the percent changes in the Consumer Price Index (CPI) . CPI shall be based upon the All Urban Consumers, for the Miami-Fort Lauderdale-West Palm Beach Region, as published by the United States Department of Labor. The adjustment shall be based on the average percentage increase from January to June preceding the Plan Year for which the adjustment is requested.

CPI adjustment requests will be reviewed by the Board on an annual basis. Only one CPI adjustment per Plan year is permitted. GRS shall be responsible for requesting a CPI adjustment. Such request must be submitted to the Board prior to the start of the Plan year for which the adjustment is sought and must clearly demonstrate the basis for the adjustment. Any CPI adjustments approved by the Board shall go into effect at the beginning of the Plan year, October 1.

~~GRS shall notify the Board in writing of such fee increase immediately upon learning of such increase. The Board shall be required to approve any increase in fees before work may continue. Should the Board be billed additional fees prior to Board approval of such fees, the Board reserves the right to withhold payment until and unless such fees are approved.~~

Additional development and support time shall be billed at GRS' hourly rates, currently as follows:

1. Valmiki Ramsewak: \$307 \$351
2. Joshua DeAndy: \$227 \$246
3. Kevin Beardsley: \$323 \$355

Hourly rates are adjusted annually. Hourly rate increases shall not be binding upon the parties unless GRS has notified the Board of such fee increases in writing.

3. Except as provided herein, all other terms and conditions of the Software Services Agreement remain in full force and effect and are hereby ratified and confirmed. The Software Services Agreement and this Amendment No. 1 represent the entire understanding between the parties on the issues contained herein, either written or oral, and may only be amended by written instrument signed by both parties.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be signed and executed, on the day and year first written above

TOWN OF PALM BEACH RETIREMENT SYSTEM:

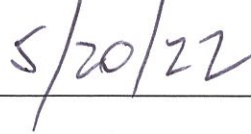
By:



Name: Daniel W. Stanton

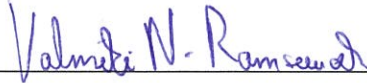
Title: Chair, Board of Trustees

Date:



GABRIEL, ROEDER, SMITH & COMPANY

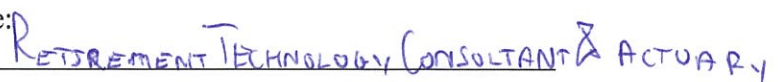
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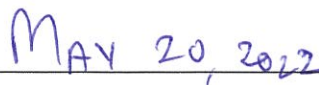
Name:



Title:



Date:



Ramsewak, Valmiki N. (FLP3)

From: Dean Mealy <dmealy@TownOfPalmBeach.com>
Sent: Thursday, August 4, 2022 2:31 PM
To: Ramsewak, Valmiki N. (FLP3)
Cc: Jane LeClainche; Duke Basha
Subject: GRS - Software Services - Amendment and CPI Increase Request
Attachments: Amendment No. 1 Software Services Agreement 4.26.22 (01640089xBA9D6) signed.PDF; Software Services - April 2021 Increase signed.pdf; CPI Term rev Nov 2021.pdf

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Valmiki,

Pursuant to our conversation today, the CPI number for the South Florida Index posted July 2022 was 10.02%. Should you have any questions, please do not hesitate to contact me.

Dean

From: Jane LeClainche <JLeClainche@TownofPalmBeach.com>
Sent: Thursday, August 04, 2022 1:16 PM
To: Dean Mealy <dmealy@TownOfPalmBeach.com>; Duke Basha <dbasha@TownOfPalmBeach.com>
Subject: FW: GRS - Software Services - Amendment and CPI Increase Request

Did you ever respond to Valmiki on this email? Also, they are going to ask for the CPI increase for their administration contract at the next Retirement Board meeting.

Jane

From: Valmiki.Ramsewak@grsconsulting.com <Valmiki.Ramsewak@grsconsulting.com>
Sent: Thursday, June 9, 2022 8:44 PM
To: Duke Basha <dbasha@TownOfPalmBeach.com>; Dean Mealy <dmealy@TownOfPalmBeach.com>
Cc: Jane LeClainche <JLeClainche@TownofPalmBeach.com>
Subject: GRS - Software Services - Amendment and CPI Increase Request

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Good evening,

At the Board meeting of the Retirement System on March 4, 2022, the amendment to the software services agreement was approved by the Board, including updating the hourly rates. Due to the document needing to be finalized, it was not signed (copy attached) until the Board meeting on May 20, 2022. This amendment also provides for future increases to be calculated based on the methodology provided by the Town on February 22, 2022 (copy attached).

Additionally, the memo detailing the retroactive increase of fees along with the increase for fiscal year ending September 30, 2022 was also approved at the March 4, 2022 meeting. While the minutes serve as evidence of this, Chairman Stanton also signed off on the memo (copy attached).

As detailed in the memo, we are requesting either a revised version of purchase order 220471 or an additional purchase order to cover the increases, totaling \$574.68, as approved in the memo.

When available, please provide us with the CPI increase being used by the Town for 2022 for invoices beginning Oct 2022 in order that we may, as required in the software services agreement amendment, request a CPI increase from the Board prior to October 2022.

Thank you,
Valmiki



Valmiki N. Ramsewak
Retirement Technology Consultant and Actuary
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Phone: 954.527.1616 | Fax: 954.525.0083
valmiki.ramsewak@grsconsulting.com

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