



Date: November 15, 2021
To: Board of Trustees, Town of Palm Beach Retirement System
From: Valmiki N. Ramsewak, GRS
Re: **Software Services Fee Increases as of April 2021 and October 2021**

The Software Services Agreement agreed to on August 16, 2019 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 also requires GRS to immediately notify the Board in writing upon learning of such a fee increase.

GRS did not begin billing for maintenance of the software services being provided until April 2020, shortly after completing the initial setup. As such, the first fee increase should have occurred April 2021, with the Board being notified at the meeting on March 12, 2021

GRS inadvertently missed notifying the Board of such increase and this did not come to light until early October when GRS was requesting a purchase order from the Town for fiscal year ending September 30, 2022.

The fee increase as of April 2021 is based on the CPI increase from January 2020 to January 2021 in the amount of 1.40%. This results in a quarterly increase of \$39.20, with the quarterly fee increasing from \$2,800.00 to \$2,839.20.

We apologize for not informing the Board in a timely fashion of the fee increase as of April 2021 and ask that a retroactive fee increase totaling \$78.40 for the two quarters ending September 30, 2021 be granted.

The increased fee as of April 2021 would usually not be increased until April 2022. However, the Town has requested that the fee increases be aligned with the Town's fiscal year and that fees increase each October.

GRS is amenable to this change in the timing of fee increases. Due to the change in timing of the fee increases requested by the Town we are requesting that a partial year fee increase from April 2021 to October 2021 be granted. We have calculated a fee increase from April 2021 to October 2021 based on the CPI increase from January 2021 to July 2021 to be 4.37%. This results in a quarterly increase of \$124.07, with the quarterly fee increasing from \$2,839.20 to \$2,963.27.

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

DW Johnston
5/20/22