



SERVICES AGREEMENT

This Agreement made by and between the Farmington Community Library ("Employer"), who sponsors a Retiree Healthcare Plan ("Plan") and CBIZ Benefits & Insurance Services, Inc. ("CBIZ"), who will provide for Employer one or more of the services more fully described herein and as indicated below.

WHEREAS, in accordance with the terms set forth below, CBIZ will perform the services described herein in accordance with all applicable laws.

CBIZ will perform the following services effective January 1, 2021:

Actuarial Consulting Services (Addendum A)

The Terms of Agreement and all applicable Addendums are attached hereto. Employer and CBIZ have read the Terms of Agreement and all attached Addendums and agree to be bound by their terms.

Employer

CBIZ Benefits & Insurance Services, Inc.

Farmington Community Library

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

TERMS OF AGREEMENT

1. Services Provided by CBIZ. CBIZ will perform one or more of the services selected by Employer and pursuant to the services outlined on Addendum A, attached hereto and made a part hereof. The specific services to be performed for Employer shall be determined by CBIZ and Employer and may be modified from time to time as agreed upon between the parties.
2. Relationship of the Parties. It is understood and agreed that this Agreement does not create any employer/employee, partner or joint venturer relationship between the parties. The parties agree that the relationship between CBIZ and Employer shall be that of independent contractors. As an independent contractor, CBIZ shall have the right to determine the means and methods to be used in accomplishing and providing the services to be rendered hereunder, including but not limited to outsourcing one or more services contemplated herein. Each party shall be responsible for all expenses involved in the execution of any services to be performed by them hereunder and shall also be responsible for all federal, state and local taxes that may be required to be paid by either party. The parties shall not have any express or implied rights or authority to assume or create any obligation or responsibility on behalf of or in the name of the other, except as may otherwise be set forth in this Agreement.
3. Requests of Information. Employer acknowledges the importance of providing complete and accurate information to CBIZ prior to the effective date of any and all services provided hereunder. CBIZ, from time to time, will request certain information from Employer, which is necessary to enable CBIZ to adequately perform its duties hereunder. Employer shall, within fifteen (15) days of the mailing or hand delivery of such request, furnish CBIZ with all information requested. CBIZ, its officers, employees and agents shall not be liable for any damages, taxes, interest, penalties, or fines incurred by Employer if all the requested information is not furnished within the time period set forth in this paragraph.
4. Reliance on Employer Provided Information. All information supplied to CBIZ by Employer shall be provided in writing or in such electronic media as is acceptable to the parties and such information shall be true and correct to the best of Employer's belief and knowledge. CBIZ may rely on any such information furnished by authorized individual(s) of Employer and shall have no responsibility to inquire into its correctness or accuracy. CBIZ shall incur no liability for reliance on such information in the performance of its services. If the information supplied proves to be incorrect, Employer will, if applicable, pay CBIZ based upon then current hourly rates for the costs of all work to correct such information. Employer shall use reasonable efforts to retain duplicate copies of information or material sent to CBIZ and for taking other precautions as it deems necessary in case such information or materials are lost or destroyed, regardless of cause, or in case information reprocessing is needed for any reason.
5. Plan Administration and Fiduciary Responsibilities. Employer is the Plan's fiduciary, whether named or otherwise, and plan administrator, not CBIZ. Nothing contained in this Agreement shall be deemed to make CBIZ a fiduciary to the Plan. Employer is solely responsible for all administrative duties incident to the maintenance of the aforementioned Plan, including general compliance with the Consolidated Omnibus Budget Reconciliation Act of 1985, P.L. 99-272 ("COBRA") or any other federal, state or local laws or regulations that may have bearing on this Plan.

CBIZ, its officers, employees and agents are not Plan fiduciaries and shall not perform any functions which might, in the opinion of CBIZ, result in the classification of CBIZ, or any of its officers, employees or agents as a "fiduciary". Employer acknowledges that CBIZ has no discretionary authority, control or responsibility over the Plan or over the administration of Plan assets. CBIZ will execute requested transactions involving the Plan only after receiving the appropriate authority from Employer, named representative(s) or other properly identified fiduciary (ies).

CBIZ, its officers, employees and agents will not furnish any legal, tax, or accounting advice for which its officers, employees or agents are not licensed to furnish, but will direct such questions either directly to, or through Employer. Employer bears responsibility to direct such questions to its legal counsel and accountant.

From time to time in the course of providing the services hereunder, CBIZ has and will continue to provide Employer with independent industry data and information for Employer and its management to materially utilize in making decisions related to Employer's Plan. Employer will be responsible for management decisions and functions, and for designating an individual who possesses suitable skill, knowledge, and/or experience, preferably within senior management, to oversee any services CBIZ may provide. Employer is responsible for evaluating the adequacy and

results of the services performed and accepting responsibility for the results of such services; provided, however, the aforesaid shall in no way waive, release, obviate or mitigate the obligations, covenants, responsibilities and liabilities of CBIZ under this Agreement.

6. Limitation of Liability. CBIZ's services under this Agreement shall be limited to the services outlined on the Addendums attached hereto. Neither CBIZ, nor its officers, employees and agents shall have any liability whatsoever for the payment of any damages, interest, taxes, fines or penalties which arise out of or are in connection with any acts or omissions of a Plan trustee, sponsor, fiduciary, administrator or party-in-interest to the Plan.

CBIZ's liability regarding processing and recordkeeping errors shall be limited only to substantiated and proven direct damages and the correction of such errors that are reported to CBIZ within thirty (30) days of receipt of said erroneous reports, records or information by Employer. CBIZ shall not be liable for any indirect, special or consequential damages arising out of any breach of this Agreement.

7. Prior Acts or Omissions. CBIZ shall not be liable for any acts or omissions with respect to the services provided hereunder, which were committed before the date of this Agreement by another third party provider. CBIZ shall also not be liable for any acts or omissions with respect to the services provided hereunder for the Plan which occur after this Agreement's termination, except for acts or omissions in connection with the transfer of records upon termination of this Agreement as provided in Section 14 of this Agreement.
8. Indemnification. Subject to the limitations stated in Section 6 above and notwithstanding any other provision to the contrary, each party to this Agreement (the "Indemnifying Party") agrees to indemnify and hold harmless the other party (the "Indemnified Party") and its officers, directors, employees, agents and affiliates from and against any and all loss, liabilities, demands, claims, actions and expenses (including, without limitation, any attorneys' fees and taxes) arising out of, or in connection with, any breach of the Indemnifying Party's responsibilities under this Agreement which are found to constitute gross negligence or willful misconduct. The provisions of this Section shall survive termination of this Agreement for a period not to exceed three (3) years from the date of termination of this Agreement, and shall be binding on the parties' successors and assigns.
9. Fees. The fees for CBIZ's services performed hereunder shall be outlined on Addendum B, attached hereto and made a part hereof.
10. Confidentiality. Each party agrees not to disclose or use during or subsequent to termination of this Agreement, any confidential information relating to the other party's business unless such use is required in the performance of this Agreement. The parties agree and understand that confidential information is any information that is treated as confidential by either party and/or has not been made generally available to the public. Such information shall include, but not be limited to, employee information, client and customer lists, data, records, computer programs, manuals, reports, processes and methods that each party may have become privileged to during the course of this Agreement. All records and other materials related in any way to each party's business shall be and remain the respective party's property during and after the termination of this Agreement. Upon termination of the Agreement, each party shall promptly return to the other party all copies of materials involving confidential information in the other party's possession or control. The parties further agree and acknowledge that they will disclose the confidential information only to those directors, officers or employees that have an absolute need to know for the purposes of the Agreement. A copy of CBIZ's privacy practices regarding Employer's nonpublic personal information is available upon request. The provisions of this Section 10 shall survive the termination of this Agreement.
11. Authorization to Disclose Employer Information. Employer authorizes CBIZ to share Employer information with other CBIZ affiliated companies for the limited purpose of providing other services for Employer by a CBIZ affiliated company. Employer further authorizes CBIZ to provide Employer information to approved third party vendors who are providing services for Employer; however CBIZ will not disseminate any information to any third party unrelated to CBIZ without Employer's written authorization. Employer agrees to indemnify and hold harmless CBIZ, its officers, directors, employees and agents against any loss, liabilities, demands, claims, actions and expenses arising out of or in connection with CBIZ providing information to any third party as authorized by Employer and provided for in this Section.
12. Ownership of CBIZ Intellectual Property. CBIZ shall retain all rights, title to and interest in any and all intellectual property developed in connection with the provision of services and relationship contemplated by this Agreement.

For purposes of this Agreement, intellectual property shall include, but not be limited to, computer software, source code and written processes and procedures.

13. Notice. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and sent by registered mail, postage prepaid, addressed as follows:

CBIZ: CBIZ Benefits & Insurance Services, Inc.
700 West 47th Street, Suite 1100
Kansas City, Missouri 64112
Attn: General Counsel

Employer: Farmington Community Library
32737 W. 12 Mile Road
Farmington Hills, MI 48334-3302

If any party gives written notice of a change in address, notice to that party shall thereafter be given at the new address set forth in the notice.

14. Term and Termination. This agreement is effective January 1, 2021 and will remain in effect for a twelve (12) month period from and after the effective date stated (the “Initial Term”). Thereafter, this Agreement shall automatically renew for additional twelve (12) month terms (each a “Renewal Term”), unless terminated earlier by CBIZ or Employer with written notice ninety (90) days prior to the end of the Initial Term. In the event the Agreement is renewed for any Renewal Term(s), the Agreement may be terminated by either party with written notice ninety (90) days prior to the end of any Renewal Term. Notwithstanding anything stated herein to the contrary, either party may terminate this Agreement at any time upon an event of breach or default by the other party. Upon termination, CBIZ shall have a reasonable amount of time to transfer account records information in accordance with the written instructions of Employer. CBIZ shall be entitled to receive all of the revenue due through the end of any term of the Agreement plus reasonable costs related to termination, including without limitation costs of generating termination related reports and accounting. CBIZ shall have no responsibility to release any records, plan data, electronic files or other information to Employer until CBIZ has received payment in full for any compensation due and owing to CBIZ pursuant to this Section and Section 9 above for services performed prior to termination of this Agreement.
15. Amendment. The terms and provisions of this Agreement and the attached Addendums may be modified or amended only by written agreement executed by the parties hereto.
16. Waiver. No waiver of any breach of this Agreement shall constitute a waiver of any other breach, whether of the same or any other terms of this Agreement, nor shall any delay or omission of either party’s exercise of any right arising from any default affect or impair the party’s rights as to the same or future default.
17. Severability. In case any provision of this Agreement is invalid or unenforceable, the validity and enforceability of the Agreement’s remaining provisions shall not in any way be affected or impaired.
18. Successor and Assigns. This Agreement and all Addendums shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns. However, this Agreement shall not be assigned to any other party without the other party’s written consent.
19. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Ohio, without regards to principles of conflicts of laws. Both parties to this Agreement hereby irrevocably submit to the jurisdiction of the courts of the state of Ohio (state or federal), with venue in Cuyahoga County, over any dispute arising out of this Agreement and agree that all claims in respect of such dispute shall be determined in such court.
20. Entire Agreement. This Agreement and all attached Addendum(s) contain the entire understanding between the parties with respect to the subject matter herein and supersedes any prior or contemporaneous written or oral agreement between them related to the subject matter hereof. There are no representations, agreements, arrangements or understandings, oral or written, between the parties relating to the subject matter of this Agreement, which are not fully expressed herein.

21. Headings. The headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions. All pronouns used in this Agreement shall be deemed to refer to the masculine, feminine or neuter gender as the context requires.
22. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of page intentionally blank]



ADDENDUM A

EMPLOYEE BENEFITS CONSULTING SCOPE OF SERVICES

CBIZ will determine, for the Farmington Community Library (“Employer”), the liabilities, expenses, and all required supplementary information and notes to financials associated with its retiree healthcare plan. All work will follow Governmental Accounting Standards Board (GASB) Statements Nos. 74 & 75, as applicable.

In determining the Employer’s Total OPEB Liability, normal cost, Actuarially Determined Contributions (ADC), and financial statement information, as described under GASB standards, the following services will be performed:

- Planning session

CBIZ will contact the Employer’s associates to review their program, in particular, discussing the substantive benefit plans as they pertain to retiree healthcare benefits. The review will address the valuation date, current number of eligible active and retired employees, current costs associated with the plan(s), historical cost increases, employee turnover, time line, and other pertinent information.

- Data collection and reasonableness review of data

CBIZ will provide the Employer with a detailed data request, discuss all required data, and utilize resources within CBIZ to assist in the data collection process, where applicable.

- Review of actuarial assumptions

CBIZ will determine and discuss with the Employer all assumptions including turnover, mortality, healthcare trend, morbidity, retirement rates, spousal rates, starting per-capita healthcare costs, discount rate, and investment return. Once the assumptions are approved by the Employer, the valuation will begin.

- Review of investment and funding policies

In accordance with the discount rate calculation process under GASB Nos. 74 & 75, CBIZ will review any existing investment and funding policies for the Plan or aid in establishing formal policies, within reason.

- Summary of liabilities and ADC at the valuation date

CBIZ will summarize all liabilities with adequate supporting detail. The ADC for years within valuation cycle will be determined. Examples will be used to illustrate the liability development process, as applicable.



ADDENDUM A

EMPLOYEE BENEFITS CONSULTING SCOPE OF SERVICES

- Annual accounting disclosure

CBIZ will summarize the annual OPEB expense, Net OPEB Liability, expected benefit payments, and illustrate the end-of-year accounting disclosures.

- Formal valuation and actuarial report

CBIZ will provide an Actuarial Valuation Report and Certification including all pertinent information, including year-end accounting disclosures for fiscal years within the valuation cycle. This report can be shared with all auditors and the general public.

Integrity and Independence Commitment

The valuation will be performed according to generally accepted actuarial principles and practices and will follow all the guidelines promulgated by the Actuarial Standards Board. Such standards, in particular, pertain to health care liabilities, data integrity, and health care cost projections. Any deviation from a standard will be disclosed within the actuarial report and will include support for its use.

Staffing

The project manager for this engagement is James W. Budai, FSA, FCA, EA, MAAA, Consulting Actuary. Other team members contributing to the project are:

Alex J. Johnson
Actuarial Consultant

Time Frame

Once CBIZ receives a signed services agreement and all information pertinent to the valuations, the analysis will begin immediately. The completion of the valuations will be approximately 4 - 6 weeks following the receipt of clean and complete data.



ADDENDUM B

FEE FOR SERVICES

ACTUARIAL CONSULTING SERVICES:

June 30, 2021 Actuarial Valuation under GASB Statements No. 74 & 75**\$6,000**

Additional Consulting Services outside of the Scope of Services: Time & Expense

- Projects would be quoted prior to the commencement of work.
- Hourly fees for special projects range from \$40 per hour to \$400 per hour and we strive to be as efficient as possible.

The fee above for this project is based on a time and expense basis with the following rates for 2021:

Senior Actuary	\$400
Consulting Actuary	\$350
Actuarial Analyst/Consultant.....	\$225
Administrative Assistant.....	\$125

We strive to be as efficient as possible utilizing the lowest hourly-rate consultant when appropriate. We will utilize consulting services from all lines of business within CBIZ, if necessary. Payment is due within 30 days of receipt of an invoice from CBIZ.