

Statement of Work

SOW: Actuarial Services

This Statement of Work (this “**SOW**”) is entered into as of **January 1, 2026** (the “**SOW Effective Date**” or “**Effective Date**”) by and between Gallagher Benefit Services, Inc. (“**Gallagher**”), and the client named in the signature box below (“**Client**”). Both Gallagher and Client may be referred to individually or collectively as a “**Party**” or “**Parties**” hereunder. This SOW is a separate agreement between Gallagher and Client and incorporates the terms and conditions of the 2026 Actuarial Service Agreement between Gallagher and Client, dated January 1, 2024 (the “**Agreement**”). Capitalized terms used but not defined in this SOW will have the meanings given to them in the Agreement.

The Parties by their respective signatures below hereby incorporate into and make part of the Agreement this SOW. Upon execution, this SOW shall become a binding commitment of the Parties.

Approved on behalf of
Gallagher Benefit Services, Inc.

Approved on behalf of
City of Dickinson, North Dakota

By:

By:

Colin J. Henty

Name:

Name:

Practice Leader Actuarial Services

Title:

Title:

Date:

Date:

1) **Description.** During the Term set forth in this SOW, and subject to the conditions set forth in the Agreement, Gallagher will provide the Services to Client as described in the Scope of Services section of this SOW.

2) **Term.** The term of this SOW shall commence on the SOW Effective Date and end on December 31, 2027 (the “Term”). This SOW shall only be terminated pursuant to the terms of the Agreement.

3) **Sites of Operation.** Services shall be performed at the Client, Gallagher and various global mobile sites.

4) **Scope of Services.** The Services to be provided by Gallagher under this SOW shall be performed in accordance with the Agreement and shall consist exclusively of the following (the “Services”):

Covered Plans and Populations	<p>The following plans and all plan participants are in scope for the actuarial Services outlined in this document:</p> <ul style="list-style-type: none"> • City of Dickinson Employees’ Pension Plan (“Employees Plan”) • City of Dickinson Police Employees’ Pension Plan (“Police Plan”) • Dickinson Part Time Fire Fighter Pension Plan • City of Dickinson Postemployment Benefits Other Than Pensions (OPEB) Plan
Annual Census Data	<p>a. Prepare request for annual valuation data</p> <p>b. Confirm control totals (record counts, etc.) and load test data to system</p> <p>c. Reconcile valuation data and resolve valuation data issues. When discrepancies between last year’s and this year’s data are found, Gallagher will assume that this year’s data is correct. If critical errors are found, such as missing benefit payment amounts for retirees, missing participants, etc., Gallagher will provide a list to Client requesting missing information. For data questions not resolved in time to complete the valuation results, Gallagher will make assumptions as to the correct resolutions that have been mutually agreed upon by Gallagher and Client.</p>
Active Participant Benefit Statements	<p>a. Provide each active member of the Police and City Plans with an individual benefit statement</p>
Qualified Plan Assets	<p>a. Request annual plan asset statements from trustee showing beginning of plan year values, contributions, payments, and investment gains / (losses) throughout the year, and plan year-end values</p> <p>b. Review asset statements for completeness and notify Client of any additional required information</p> <p>c. Reconcile plan assets</p>
Funding Valuation	<p>a. Calculate valuation assets</p> <p>b. Determine preliminary funding valuation results</p> <p>c. Review preliminary results and determine whether assumption adjustments are needed based on professional standards and:</p> <ul style="list-style-type: none"> • Analysis of prior year’s demographic gains/(losses) • Review of investments returns (both market and industry) • Review of other trends as applicable • Benchmark data • Recommended experience study <p>d. Discuss preliminary valuation results with Client and review any required / suggested assumptions changes</p> <p>e. Implement assumption changes as applicable and finalize valuation results</p> <p>f. Calculate the actuarially determined contribution</p> <p>g. Prepare standard actuarial valuation report that provides all customary components</p> <p>h. Consult with Client to understand and interpret routine valuation results</p>
	<p>a. Calculate valuation assets</p>

GASB 67/68 Expense and Disclosure	b. Perform preliminary valuation of all plans in compliance with the standards of the Governmental Accounting Standards Board (GASB)
	c. Discuss preliminary valuation results with Client
	d. Discuss year-end disclosure assumptions with Client and auditor if applicable
	e. Receive confirmation from Client of assumptions (excluding discount rate and expected return), methods, plan provisions and data to be used in year-end disclosures
	f. Implement assumption changes as applicable and finalize expense valuation results
	g. Prepare GASB crossover test analysis
	h. Determine liabilities at the selected discount rate(s)
	i. Prepare sensitivity analysis by determining alternative GASB liabilities
	j. Prepare year-end disclosure reports for each plan, including required historical year-end disclosures, and provide to Client by agreed-upon date
	GASB 74/75 Valuation Report
b. Prepare GASB crossover test analysis	
c. Receive confirmation from Client of assumptions (excluding discount rate and expected return), methods, plan provisions and data to be used in year-end disclosures	
d. Perform valuation in compliance with the Governmental Accounting Standards Board (GASB) standards	
Audit Support	a. Respond to year-end auditor's questionnaire
	b. Respond to auditor's request for prior year demographic information
	c. Respond to questions and requests for information from Plan and Client auditors throughout the year

Any Services not specifically included above are out of scope. For the avoidance of doubt, the following shall be considered out of scope:

- Unanticipated additional or revised calculations due to future changes to the plan provisions, law or regulations after the SOW Effective Date
- Experience studies, or reflecting results of an experience study
- Revisions to report after published due to changes in amount or timing of contributions
- Any additional work required due to special events
- Any type of study work, such as changes in assumptions/methods, revised plan provisions, projected contributions
- Partial plan terminations, annuity purchases or special window programs

5) **Deliverables.** The following deliverables (the “**Deliverables**”) will be produced by Gallagher, with input from the Client unless otherwise noted:

Deliverable	Main Objectives	Estimated Deliverable Date
GASB 67/68 Report	GASB 67/68 Expense and Disclosure	May 15
GASB 74/75 Report	GASB 74/75 Expense and Disclosure	May 15
Funding Report	Actuarially Determined Contribution	May 15

6) **Client Responsibilities.** This section allocates specific roles and responsibilities to Client in connection with the scope of this SOW.

6.1 **Client Roles and Responsibilities.** In addition to any other roles and responsibilities specified in this SOW or the Agreement, Client will perform those tasks and fulfill those responsibilities specified below (“**Client Responsibilities**”) in a timely manner.

- Client will provide relevant materials set forth in this SOW
 - Asset information as needed
 - Annual payment roster of benefit payments as needed
 - Selection of assumptions in connection with the GASB disclosures
 - Client shall promptly notify Gallagher if any data furnished is later determined to be incorrect or incomplete. Client shall then furnish correct data and any associated due dates shall be modified as provided in the preceding Section 6.3 of this SOW.
- Client will commit the necessary resources and management involvement to support the Services and perform any agreed upon acceptance procedures in a timely manner
 - Client will be responsible for the contractual relationship with third parties hired by Client and for ensuring that they cooperate with Gallagher
 - Client will make decisions promptly and without delay
 - Client will be responsible for determining if and how it will implement any recommendations made by Gallagher
 - Client is responsible for actively participating in all discussions related to the plan
- Client will be responsible for its operation and use of the Deliverables and for ensuring that the Deliverables meet Client's requirements.
- Gallagher will be entitled to rely on all information provided by Client as well as all decisions and approvals made by Client.

6.2 Assumptions. Client Responsibilities include the accuracy of any assumptions set forth herein. If any of these assumptions prove to be incorrect, Gallagher reserves the right to modify the fees set forth hereunder and/or timing of Deliverables.

- Scope of Services and Estimated Fees based on the plan provisions, law and regulations as of the SOW Effective Date
- Client will provide a single, consolidated year-end annual census file from Client or recordkeeper with one record for each active and inactive participant

6.3 Delays. For actuarial valuation, Client shall provide all such materials and data at least one month before the due date of the valuation report. In the event Client does not furnish the required data at least one month in advance, all due dates for corresponding Deliverables shall be appropriately rescheduled. However, in recognition that Gallagher may have committed to other projects in its client portfolio in reliance the scheduled deadlines in this Agreement, Gallagher may, if commercially necessary, extend such due dates by up to one month more than the number of days by which receipt of the data was late.

6.4 Excused Non-Performance. Client will perform such Client Responsibilities and acknowledges that Gallagher's performance is dependent on Client's timely and effective performance of the Client Responsibilities.

Gallagher will be excused from failures to perform its obligations under this SOW to the extent that:

- Client, its third-party contractors or other agents fail to timely and adequately perform the Client Responsibilities or there is another act or omission of Client, or its third party contractors or other agents (not undertaken at Gallagher's direction or with Gallagher's consent) (each a "Client Event"); and
- Such Client Event contributes to Gallagher's failure to perform.

7) Fees. The fees for Services provided under this SOW are set forth below in Exhibit A. All payments due hereunder shall be made in accordance with the terms of the Agreement.

Exhibit A
Schedule of Fees

1. Fees & Invoicing.

a.

2026 Plan Year		
Item	Billing Month	Fee
Preparation of GASB No. 67/68 Disclosure Information	May	\$7,750
Preparation of GASB No 74/75 Disclosure Information	May	\$10,400
Completion of Actuarial Valuation and Participant Statements	May	\$23,250
Benefit Calculation	Upon Completion	\$375

b. **Pass Through Charges & Travel and Expense.**

i. *Pass-Through Charges.* In the event expenses constitute goods or services from a third party supplier and such goods or services are being acquired specifically for Client, Gallagher shall be entitled to charge a 10% administrative fee on such expenses.

ii. *Travel and Expense.* Additionally, Gallagher will be reimbursed at cost for, direct expenses reasonably incurred by Gallagher in connection with the performance of Services, such as travel and other vendor expenses. All travel and vendor expenses must be pre-approved in writing by Client.

c. **Standard Annual Increase.** In the event the Services are scheduled to be or are requested to be performed longer than one (1) calendar year, Gallagher reserves the right, in its discretion, to increase its fees by three percent (3%) or by no less than the prior calendar year's Employment Cost Index for Management, Professional and Related Groups percentage, whichever is greater.

2. Payment.

a. **Terms.** Client shall pay all invoiced amounts within thirty (30) days of invoice receipt date.

b. **Late Penalty.** In the event a payment is delayed, Gallagher shall be entitled to charge Client a delayed penalty of one-and-one-half percent (1.5%) of fees invoiced.

c. **Taxes.** The amount of any tax or similar assessment levied or based on our charges for the provision of Services is not covered under the fees and will be billed separately in addition to the fee amount.

3. Out of Scope Services.

a. **Definition.** If Client requests Gallagher perform Services, consulting or otherwise, not set forth in the Scope of Services of this SOW, (collectively, "**Out of Scope Services**"), Gallagher will charge Client for those Services requested on a time and materials basis at Gallagher's then-current prevailing hourly rates.

b. **Process.** Prior to commencement of any work on Out of Scope Services, Gallagher will notify Client that the requested services are out of scope.