

SIXTH AMENDMENT TO AGREEMENT FOR PROFESSIONAL ACTUARIAL SERVICES SOQ 07-086

THIS SIXTH AMENDMENT ("6th Amendment") is made and entered into by and between the Fort Bend County, ("County"), a body corporate and politic under the laws of the State of Texas and Milliman, Inc, ("Milliman"), a company authorized to conduct business in the State of Texas.

WITNESSETH:

WHEREAS, County and Milliman originally entered an Agreement for Professional Actuarial Services on or about November 2, 2007; with amendments on or about September 14, 2010, November 8, 2011, October 23, 2012, May 6, 2014 and May 24, 2016 ("Prior Agreements") incorporated and attached as "Attachment A" for professional actuarial consulting services for County ("Project"). County and Milliman now desire to further amend said Agreement as set forth below.

AGREEMENT

For and in consideration of the premises and the mutual promises, obligations, and benefits contained herein, the County and Milliman hereby agree as follows:

- A. Milliman shall perform the actuarial services ("Additional Services") described in "Attachment B."
- B. An additional amount not-to-exceed \$23,900.00 shall be available for Additional Services. The amount paid to Consultant for the Additional Services shall not exceed \$23,900.00.
- C. No additional funding shall be available for Additional Services provided under the Agreement without prior written consent of the Fort Bend County Commissioners Court.
- D. Notice to County shall be sent as follows:

Fort Bend County	w/copy to
Attention: County Judge	Fort Bend County Auditor
401 Jackson Street	301 Jackson, Suite 533
Richmond, Texas 77469	Richmond, TX 77469
- E. By signature below, Milliman represents pursuant to Section 2252.152 of the Texas Government Code, that Milliman is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.153. As required by Chapter 2270, Government Code, Comp. hereby verifies that it does not boycott Israel and will not boycott Israel through the term of this Agreement. For purposes of this verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.
- F. Except as modified herein, the Agreement remains in full force and effect and has not been modified or amended.
- G. If there is a conflict between documents, the most recently executed document shall prevail. With regard to the 6th Amendment, conflicts shall be resolved with priority given first to the contents of this 6th Amendment.
- H. The parties to the Agreement agree that the electronic and/or digital signatures of the parties included in the Agreement are intended to authenticate this writing and to have the same

force and effect as the use of manual signatures.

IN WITNESS WHEREOF, this 6th Amendment is signed, accepted, and agreed to by all parties by and through the parties or their agents or authorized representatives. All parties hereby acknowledge that they have read and understood this 6th Amendment and the attachments and exhibits hereto. All parties further acknowledge that they have executed this legal document voluntarily and of their own free will.


FORT BEND COUNTY


Robert E. Hebert, County Judge

8-14-2018

Date

ATTEST:


Laura Richard, County Clerk



MILLIMAN, INC.


Authorized Agent - Signature

JOEL M WEHNER

Authorized Agent- Printed Name


Title

7/26/18
Date

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of 23,900.00 to accomplish and pay the obligation of the Fort Bend County under this Agreement.


Ed Sturdivant, Fort Bend County Auditor

Attachment A



500 Dallas Street
Suite 2550
Houston, TX 77002
USA

Tel +1 713 658 8451
Fax +1 713 658 9656

milliman.com

KLH# 160 104
\$ 23,900.00
6/19/18

June 19, 2018

Ed Sturdivant
Fort Bend County Auditor
301 Jackson, Suite 533
Richmond, TX 77469

**Re: Retiree Medical Expense and Liability Calculations under GASB No. 75
Fort Bend County**

Dear Mr. Sturdivant:

Based on my recent correspondence with your office, I have enclosed a Statement of Work for performing the GASB 75 valuation for the fiscal year ending September 30, 2018. In addition, this valuation report will provide you with the disclosure items needed to separately account for the Drainage District's OPEB obligations.

The Governmental Accounting Standards Board (GASB) released new accounting standards for public postemployment benefit plans other than pension (OPEB) and participating employers in 2015. These standards, GASB Statements No. 74 and 75, have substantially revised the accounting requirements previously mandated under GASB Statements No. 43 and 45. The most notable change is that the Annual Required Contribution (ARC) has been eliminated and the Net OPEB Liability will be an item on the employer's financial statement rather than a footnote entry.

GASB 75 governs the specifics of accounting for public OPEB plan obligations for participating employers and is required to be implemented for employer fiscal years beginning after June 15, 2017. GASB 75 requires a liability for OPEB obligations, known as the Net OPEB Liability (Total OPEB Liability for unfunded plans), to be recognized on the balance sheets of participating employers. Changes in the Net OPEB Liability (Total OPEB Liability for unfunded plans) will be immediately recognized as OPEB Expense on the income statement or reported as deferred inflows/outflows of resources depending on the nature of the change.

GASB 75 requires plan sponsors such as you to disclose a Net OPEB Liability on their annual financial statements. The liability may be based on the results of the prior year's valuation if no "significant changes" have occurred regarding your plan design or census data since the prior valuation. As we have discussed, your external auditor is the final arbiter of any material changes as they relate to your financial statement reporting. Since you used the October 1, 2015 valuation for the September 30, 2016, and September 30, 2017 disclosures, you are required to perform an actuarial valuation as of October 1, 2017 for your financial statement reporting at September 30, 2018.

160 104



Ed Sturdivant

Retiree Medical Expense and Liability Calculations under GASB No. 75

June 19, 2018

Page 2

A Statement of Work is attached for your review and signature. Please review, sign, and return the Statement of Work to my attention. All work will be performed in accordance with the signed service agreement dated November 2, 2007.

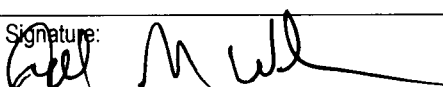
Please feel free to call me if you have any questions. I can be contacted at (713) 658-3013. Please let me know if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink that reads 'Jake Pringle'.

Jake Pringle, MAAA
Consulting Actuary

Enclosures

GASB 75 Valuation		Effective Date: June 19, 2018	
Prepared for: Fort Bend County ("County")			
Prepared by: Jake Pringle			
Project Timing			
Project Start Date:	June 19, 2018	Expected Project End Date:	February 2019
Project Description:			
Deliverable	Description	Estimated Fees	County Initials
GASB 75 Actuarial Valuation Report as of October 1, 2017	Financial statement entries including Total OPEB Liability, Fiduciary Net Position, Net OPEB Liability, OPEB Expense, and Schedule of Funding Progress	\$23,900	
Drainage District OPEB Financial Statement Entries	Financial statement entries including Total OPEB Liability, Fiduciary Net Position, Net OPEB Liability, OPEB Expense, and Schedule of Funding Progress	included in actuarial fees	
Estimated Fee Summary			
Consulting Fees		\$23,900	
Key Notes / Assumptions			
1.	The services proposed under this Statement of Work are offered under, and it is the parties' intent they will be governed by, the Agreement for Professional Actuarial Services between Milliman, Inc. and Fort Bend County, effective as of November 2, 2007.		
2.	Travel, postage and other out-of-pocket expenses are not included in the above estimated fees. Any such expenses will be charged at cost as a direct expense.		
3.	Except as otherwise provided, Milliman's fees shall be based on our time-and-expense charges using our normal hourly billing rates. These fees assume a maximum of 7,000 participants, and that participant data and financial information will be provided to Milliman in a mutually agreeable form and format. Fees for out-of-scope items and for additional processing caused by errors in information provided to Milliman, if any, shall be billed based on our time-and-expense charges using our normal hourly billing rates, subject to your advance approval. Our normal hourly billing rates range from \$120 per hour to \$450 per hour.		
4.	Any statement in the Agreement that, or to the effect that, an amount will be paid by the County will not preclude such amounts being a plan expense under the plan's trust agreements and other documents and will not have any effect on the County's rights to direct the plan's trustee to pay such amount from plan assets.		
Fort Bend County Signature:		Date Approved:	
Milliman, Inc. Signature: 		Date Approved: 7/26/18	

Attachment B

STATE OF TEXAS

COUNTY OF FORT BEND

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KNOW ALL MEN BY THESE PRESENTS:

FIFTH AMENDMENT TO AGREEMENT FOR
PROFESSIONAL ACTUARIAL SERVICES SOQ 07-086

THIS FIFTH AMENDMENT is made and entered into by and between the Fort Bend County, a body corporate and politic under the laws of the State of Texas and Milliman, Inc, hereinafter referred to as "Consultant," authorized to conduct business in the State of Texas.

WITNESSETH:

WHEREAS, County and Consultant originally entered an Agreement for Professional Actuarial Services on or about November 2, 2007; with amendments on or about September 14, 2010, November 8, 2011, October 23, 2012 and May 6, 2014 (hereinafter referred to as "Prior Agreements;" incorporated and attached as Exhibit One) for professional actuarial consulting services for County, hereinafter called the "Project." County and Consultant now desire to further amend said Agreement as set forth below.

AGREEMENT

For and in consideration of the premises and the mutual promises, obligations, and benefits contained herein, the County and Consultant hereby agree as follows:

- A. An additional amount not-to-exceed \$19,500.00 shall be available for additional services as described in Exhibit Two. The amount paid to Consultant for the additional services shall not exceed \$20,700.00
- B. No additional funding shall be available for services provided under the Agreement without prior written consent of the Fort Bend County Commissioners Court.
- C. Mutually approved travel and mileage expenses incurred in the performance of services will be compensated only in accordance with the County's Travel Policy, a copy of which is attached as Exhibit Three to this Agreement.
- D. Notice to County shall be sent as follows:

Fort Bend County
401 Jackson Street
Richmond, Texas 77469
Attention: County Judge

w/copy to
Fort Bend County Auditor
301 Jackson, Suite 533
Richmond, TX 77469

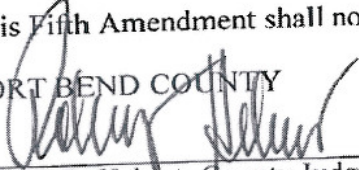
- E. Except as modified herein, the Agreement remains in full force and effect and has not been modified or amended.

- F. If there is a conflict between documents, the most recently executed document shall prevail. With regard to the Fifth Amendment, conflicts shall be resolved with priority given first to the contents of this Fifth Amendment, then to Exhibit Three and then to Exhibit Two.

EXECUTION

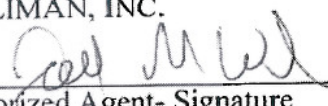
This Fifth Amendment shall not become effective until executed by County.

FORT BEND COUNTY


Robert E. Hebert, County Judge

524-16

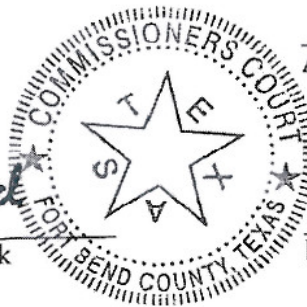
MILLIMAN, INC.


Authorized Agent- Signature

JOEL M. WEHNER
Authorized Agent- Printed Name

ATTEST:


Laura Richard, County Clerk



Title

Date

PRINCIPAL

4/8/16

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of 20,700.00
to accomplish and pay the obligation of the Fort Bend County under this Agreement.


Ed Sturdivant, Fort Bend County Auditor

Attachments:

Exhibit One: Prior Agreements (Original Agreement and First-Fourth Amendments)

Exhibit Two: Statement of Work dated March 11, 2016

Exhibit Three: County Travel Policy

MTR:I/Agreements/2016/Purchasing/Milliman

Exhibit One:
Prior Agreements
(Original Agreement and First-Fourth Amendments)

STATE OF TEXAS

COUNTY OF FORT BEND

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KNOW ALL MEN BY THESE PRESENTS:

AGREEMENT FOR PROFESSIONAL ACTUARIAL SERVICES

THIS AGREEMENT is made and entered into by and between the Fort Bend County, a body corporate and politic under the laws of the State of Texas, acting herein by and through its Purchasing Agent, according to V.T.C.A. Local Government Code 262.011(d), hereinafter referred to as "County," and Milliman, Inc, hereinafter referred to as "Consultant," authorized to conduct business in the State of Texas.

WITNESSETH:

WHEREAS, County desires that Consultant to provide professional actuarial consulting services necessary to County for the new GASB 43/45 standards, hereinafter referred to as the "Project," and perform certain professional consulting services in connection with the project; and

WHEREAS, the Consultant represents that it is qualified and desires to perform such services;

NOW, THEREFORE, County and Consultant, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

SECTION I
SCOPE OF AGREEMENT

The Consultant agrees to perform professional actuarial consulting services in connection with the Project as stated herein and for having rendered such services, the County agrees to pay to the Consultant compensation as stated herein.

SECTION II
CHARACTER AND EXTENT OF SERVICES

- 2.01 See Exhibit A, August 2, 2007 response to Statement of Qualifications from Consultant.
- 2.02 Consultant agrees to complete the services called for in Section Agreement within forty-five (45) calendar days from the date of this Agreement.

SECTION III
THE CONSULTANT'S COMPENSATION

- 3.01 For and in consideration of the services rendered by the Consultant, and subject to the limit of appropriation under Section VII, County shall pay to the Consultant an amount not to exceed \$16,000.00, including all reimbursable expenses.
- 3.02 Consultant shall submit invoices to County and County shall pay each statement within thirty (30) days after the County Project Manager's written approval provided however, that the approval or payment of any statement shall not be considered to be conclusive evidence of performance by the Consultant to the point indicated by such statement or of receipt or acceptance by the County of the services covered by such statement.

- 3.03 Consultant's fees shall be calculated at the following hourly rates:
- A. Engagement Manager: \$350-450
 - B. Actuary: \$280-380
 - C. Actuarial Analyst: \$180-240

SECTION IV TERMINATION

- 4.01 County may terminate this Agreement at any time by providing ten (10) days written notice to the Consultant.
- 4.02 Upon receipt of such notice, the Consultant shall discontinue all services in connection with the performance of this Agreement and shall proceed to cancel promptly all existing orders and contracts insofar as such orders or contracts are chargeable to this Agreement.
- 4.03 Within thirty (30) calendar days after receipt of notice of termination, the Consultant shall submit a statement, showing in detail the services performed under this Agreement to the date of termination.
- 4.04 The County shall then pay the Consultant that proportion of the prescribed charges which the services actually performed under this Agreement bear to the total services called for under this Agreement, less such payments on account of charges as have been previously made.
- 4.05 In the event of a breach of this Agreement by the Consultant, County shall provide written notice of such breach and Consultant shall have ten (10) calendar days from the receipt of such notice to cure the breach. In the event Consultant fails to cure the breach within ten (10) calendar days, County may terminate this Agreement.
- 4.06 Copies of all completed documents, electronic data files, report and specifications prepared under this Agreement shall be delivered to the County when and if this Agreement is terminated in the manner and for the purposes provided in this Agreement.

SECTION V PROFESSIONAL LIABILITY INSURANCE

Consultant shall, prior to performing billable services and for the duration of term of this Agreement, keep in full force and effect a policy of general liability insurance of not less than \$1,000,000.00 per occurrence, which shall be approved by the Fort Bend County Risk Management Department prior to purchase. The policy shall contain a clause that the insurer will not cancel or materially change the insurance without first giving County thirty (30) days prior written notice. The insurance shall be in a company reasonably acceptable to the Fort Bend County Risk Management Department and a copy of the policy or certification of insurance shall be delivered to the Fort Bend County Risk Management Department as soon as available.

SECTION VI NOTICE

- 6.01 Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been deposited, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered or certified, return receipt

- requested, in a United States Post Office, addressed to the County or the Consultant at the addresses set forth below.
- 6.02 If mailed, any notice or communication shall be deemed to be received three days after the date of deposit in the United States Mail.
- 6.03 Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

A. If to the Consultant:

Milliman, Inc.
10000 N. Central Expressway, Suite 1500
Dallas, Texas 75231
Attn: Kyle Hughes

B. If to County notice must be sent to both the Fort Bend County Purchasing Agent and County Project Manager:

Fort Bend County Purchasing Department
Gilbert D. Jalomo, Jr., CPPB
4520 Reading Road, Suite A
Rosenberg TX 77471

Ed Sturdivant
Fort Bend County Auditor
301 Jackson, Suite 533
Richmond, TX 77469

- 6.04 Either party may designate a different address by giving the other party ten (10) days written notice.

SECTION VII
LIMIT OF APPROPRIATION

- 7.01 Prior to the execution of this Agreement, Consultant has been advised by County, and Consultant clearly understands and agrees, such understanding and agreement being of the absolute essence to this contract, that County shall have available the total maximum sum of \$16,000.00, including all reimbursable expenses, if any, specifically allocated to fully discharge any and all liabilities which may be incurred by County.
- 7.02 Consultant does further understand and agree, said understanding and agreement also being of the absolute essence of this contract, that the total maximum compensation that Consultant may become entitled to hereunder and the total maximum sum that County shall become liable to pay to Consultant hereunder shall not under any conditions, circumstances or interpretations thereof exceed the sum of \$16,000.00.

SECTION VIII
SUCCESSORS AND ASSIGNS

- 8.01 County and Consultant bind themselves and their successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement.
- 8.02 Neither County nor Consultant shall assign, sublet or transfer its or his interest in this Agreement without the prior written consent of the other.
- 8.03 Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public and/or governmental body that may be a party hereto.

SECTION IX
PUBLIC CONTACT

- 9.01 Contact with the news media, citizens of Fort Bend County or governmental agencies shall be the sole responsibility of County.
- 9.02 Under no circumstances, whatsoever, shall Consultant release any material or information developed in the performance of its services hereunder without the express written permission of County, except where required to do so by law.

SECTION X
COMPLIANCE AND STANDARDS

Consultant shall render the services hereunder in accordance with generally accepted commercial industry standards of Consultants practicing in Fort Bend County, Texas applicable thereto and shall use that customary degree of care and skill commensurate with the profession similar to the Project to comply with all applicable state, federal, and local laws, ordinances, rules and regulations relating to the services to be rendered hereunder, and Consultant's performance.

SECTION XI
OWNERSHIP OF DOCUMENTS

- 11.01 Subject to Section XII (TOOL DEVELOPMENT) and Section XIII (LIMITATION ON DISTRIBUTION) County shall be the absolute and unqualified owner of all reports, electronic files, records and other documents prepared pursuant to this Agreement by the Consultant and its Consultants (deliverables).
- 11.02 No reuse fees or royalty payments will be paid to the Consultant in connection with future reuse or adaptation of designs derived under this contract.
- 11.03 Copies of all complete or partially completed mylar reproducible, preliminary layouts, record drawings, digital files, sketches and other documents prepared pursuant to this Agreement shall be delivered to County when and if this Agreement is terminated or upon completion of this Agreement, whichever occurs first, as provided in this Agreement.
- 11.04 Subject to Section XII (TOOL DEVELOPMENT) Consultant is expressly prohibited from selling, licensing or otherwise marketing or donating such documents, or using such documents in the preparation of other work for any other client, or from duplicating the appearance of the Project depicted in the deliverables for any without the prior express written permission of County.

- 11.05 The documents referenced in this Section are not intended or presented by the Consultant to be suitable for reuse by County or others on extensions of this Project or on other unrelated projects.
- 11.06 Any adaptation or use by County of such documents on extension of this Project or other unrelated projects shall be at County's sole risk.

SECTION XII TOOL DEVELOPMENT

Consultant 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 Consultant or developed during the course of the provision of the services ("Consultant's Tools") provided such Consultant Tools do not contain and/or are not based upon or derived from confidential or proprietary information of County. Rights and ownership by Consultant of Consultant's Tools shall not extend to or include any or all part of County's confidential or proprietary information. To the extent Consultant may include in the materials any pre-existing Consultant proprietary information or other protected Consultant materials, Consultant agrees that County shall be deemed to have a fully prepaid perpetual license to make copies of Consultant owned materials as part of this Agreement for its internal business purposes, provided that such materials cannot be modified or distributed outside County without the written permission of Consultant or expect as otherwise permitted herein. This provision shall survive termination of this Agreement.

XIII LIMITATION ON DISTRIBUTION

Consultant's work is prepared solely for the use and benefit of County in accordance with its statutory and regulatory requirements. Consultant recognizes that materials it delivers to County may be public records subject to disclosure to third parties; however, Consultant does not intend to benefit and assumes no duty or liability to any third parties who receive Consultant's work and may include disclaimer language on its work so stating. County agrees not to remove any disclaimer language from Consultant's work. To the extent that Consultant's work is not subject to disclosure under applicable public records laws, County agrees that it shall not disclose Consultant's work to third parties without Consultant's prior written consent; provided, however, that County may distribute Consultant's work in its entirety to (i) its professional service providers who are subject to a duty confidentiality and who agree to not use Consultant's work for any purpose other than to provide services to County, or (ii) any applicable regulatory or governmental agency, as required.

XIV
INDEMNIFICATION

- 14.01 CONSULTANT SHALL DEFEND, INDEMNIFY AND SAVE HARMLESS COUNTY FROM AND AGAINST ALL CLAIMS, LIABILITY, AND EXPENSES, INCLUDING REASONABLE ATTORNEYS FEES, ARISING FROM THIRD PARTY CLAIMS BASED UPON THE INTENTIONAL FRAUD OR WILLFUL MISCONDUCT OF THE CONSULTANT, ITS AGENTS, CONSULTANTS OR EMPLOYEES, UNDER THIS AGREEMENT.
- 14.02 CONSULTANT SHALL ALSO SAVE HARMLESS COUNTY FROM AND AGAINST ANY AND ALL EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES WHICH MIGHT BE INCURRED BY COUNTY, IN LITIGATION OR OTHERWISE RESISTING SAID CLAIMS OR LIABILITIES THAT MIGHT BE IMPOSED ON COUNTY AS THE RESULT OF SUCH ACTIVITIES BY THE CONSULTANT, ITS AGENTS, CONSULTANTS OR EMPLOYEES.

SECTION XV
LIMITATION OF LIABILITY

THE PARTIES AGREE THAT THE CONSULTANT, ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES, SHALL NOT BE LIABLE TO THE COUNTY, UNDER ANY THEORY OF LAW INCLUDING NEGLIGENCE, TORT, BREACH OF CONTRACT, OR OTHERWISE, FOR ANY DAMAGES IN EXCESS OF FOUR (4) TIMES THE PROFESSIONAL FEES PAID TO THE CONSULTANT WITH RESPECT TO THE WORK IN QUESTION. IN NO EVENT SHALL THE CONSULTANT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. THE FOREGOING LIMITATIONS SHALL NOT APPLY IN THE EVENT OF THE INTENTIONAL FRAUD OR WILLFUL MISCONDUCT OF THE CONSULTANT.

XVI
MODIFICATIONS

This instrument contains the entire Agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this instrument shall be of no force and effect excepting a subsequent written modification signed by both parties hereto.

SECTION XVII
MISCELLANEOUS

- 17.01 By entering into this Agreement, the parties do not intend to create any obligations, express or implied, other than those specifically set out in this Agreement.
- 17.02 Nothing in this Agreement shall create any rights or obligations in any party who is not a signatory to this Agreement.
- 17.03 Consultant agrees and understands that: by law, the Fort Bend County Attorney's Office

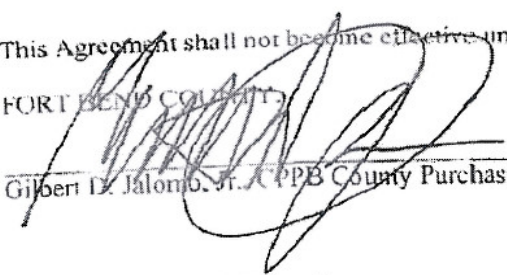
may only advise or approve contracts or legal documents on behalf of its clients; the Fort Bend County Attorney's Office may not advise or approve a contract or other legal document on behalf of any other party not its client; the Fort Bend County Attorney's Office has reviewed this document solely from the legal perspective of its client; the approval of this document by the Fort Bend County Attorneys Office was offered solely to benefit its client; Consultant and other parties should not rely on this approval and should seek review and approval by their own respective legal counsel.

- 17.04 This Agreement shall be governed by, construed under and interpreted and enforced in accordance with the laws of the State of Texas. Venue for any action regarding this agreement shall lie in the United States District Court, Southern District of Texas, Houston Division. The parties agree to waive their right to a jury trial.
- 14.05 If there is a conflict between this Agreement and Exhibit "A" the provisions of this Agreement shall prevail.

SECTION XVIII EXECUTION

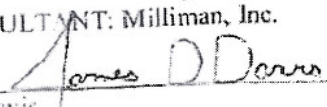
This Agreement shall not become effective until executed by all parties hereto.

FORT BEND COUNTY


Gilbert D. Jalomo, Jr., CPFB County Purchasing Agent

11.2.07
Date

CONSULTANT: Milliman, Inc.


Jim Davis
Equity Principal

10/31/07
Date

MER:Milliman 3803 (101207)

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$16,000.00 to accomplish and pay the obligation of the Fort Bend County under this contract.

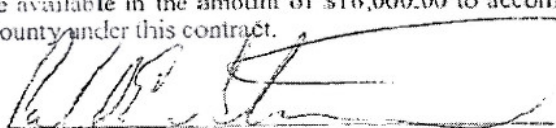

Ed Sturdivant, Fort Bend County Auditor

Exhibit A: August 2, 2007 response to Statement of Qualifications from Consultant.

Exhibit A



Milliman

10000 N. Central Expressway
Suite 1500
Dallas, TX 75231-5030
Tel +1 214 863.5500
Fax +1 214 863.5501
www.milliman.com

August 1, 2007

Fort Bend County
Purchasing Department
Rosenberg Annex
4520 Reading Road, Suite A
Rosenberg, TX 77471

Re: Actuarial Calculation Analysis of OPEB for Fort Bend County

To Whom It May Concern:

Enclosed you will find our response for the Statement of Qualifications to provide actuarial calculation analysis of OPEB for Fort Bend County. Thank you for giving us the opportunity to be included in this process. I feel that Milliman is uniquely positioned to assist Fort Bend County in navigating the new GASB standards and managing the risk related to your post-employment benefit arrangements.

The characteristics that distinguish Milliman with regard to providing GASB 43/45 consulting services include:

- Public Sector Experience
- Health and Welfare Expertise
- Independence
- State-of-the-Art Valuation System
- Client Commitment

Included in our response is our standard service agreement. We have also made some minor modifications to the one posted on the County's web site. Please let us know if you have any questions related to these agreements.

We are excited about the opportunity to develop a relationship with Fort Bend County. I am confident that we can provide significant value to you during this process. Please feel free to call me at (214) 863-5069 with any questions or comments.

Sincerely,

Kyle Hughes
Regional Manager

ENCLOSURES

Vendor Information

MILLIMAN, INC.

Legal Name of Contracting Company

91-0675641

Federal ID Number (Company or Corporation) or Social Security Number (Individual)

(214) 863-5500

Telephone Number

(214) 863-5508

Facsimile Number

10000 N. Central Expressway, Suite 1500 Dallas, TX 75231

Complete Mailing Address (for Correspondence)

Dallas, TX 75231

City, State and Zip Code


Complete Remittance Address (if different from above)

City, State and Zip Code

Kyle Hughes, Regional Manager, Sales and Marketing
Authorized Representative and Title (printed)

kyle.hughes@milliman.com

Authorized Representative's Email Address


Signature of Authorized Representative

Milliman thanks Fort Bend County (the "County") for the opportunity to provide this proposal for GASB 13/45 actuarial consulting services.

Founded in 1947, Milliman is a professional services firm that provides a full range of actuarial consulting services including comprehensive employee benefit and health care consulting services. Our corporate structure promotes a culture throughout the firm which encourages us to be innovative, creative, service-oriented and client-focused. On the basis of these strengths, Milliman has become one of the largest independent providers of public and private sector employee benefit plan services in the United States.

Milliman has 32 offices across the United States, and is a member of Milliman Global, an international network of actuaries and consultants. Milliman is owned and managed by approximately 260 Principals who have been elected in recognition of their technical, professional and business achievements. Milliman employs more than 1,800 professionals, including over 500 qualified actuaries and consultants. The company is divided into four practice areas:

- Pension, Employee Benefits and Compensation Consulting Services
- Health Consulting Services
- Property/Casualty Consulting Services
- Life and Financial Consulting Services

For additional information, please refer to Exhibit A for a 2007 Milliman Fact Sheet.

All actuarial services for the County will be coordinated by Milliman's Houston office, which is part of Milliman's Southern EB Regional Practice. Milliman has offices in the following cities within the region:

- Dallas, TX
- Houston, TX
- Atlanta, GA
- Tampa, FL
- Greensboro, NC
- Denver, CO

We have included an Organizational Chart of the Southern EB Regional Practice as Exhibit B.

STATE OF TEXAS

COUNTY OF FORT BEND

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KNOW ALL MEN BY THESE PRESENTS:

FOURTH AMENDMENT TO AGREEMENT FOR
PROFESSIONAL ACTUARIAL SERVICES

THIS FOURTH AMENDMENT is made and entered into by and between the Fort Bend County, a body corporate and politic under the laws of the State of Texas and Milliman, Inc, hereinafter referred to as "Consultant," authorized to conduct business in the State of Texas.

WITNESSETH:

WHEREAS, County and Consultant previously entered an Agreement for Professional Actuarial Services dated November 2, 2007; with amendments on or about September 14, 2010, November 8, 2011 and October 23, 2012 (hereinafter referred to as the "Agreement") for professional actuarial consulting services for County, hereinafter called the "Project." County and Consultant now desire to further amend said Agreement as set forth below.

AGREEMENT

For and in consideration of the premises and the mutual promises, obligations, and benefits contained herein, the County and Consultant hereby agree as follows:

- A. An additional amount not-to-exceed \$19,500.00 shall be available for additional services as described in Exhibit A. The amount paid to Consultant for services provided under the Agreement, this amendment and any prior amendment shall not exceed \$75,500.00.
- B. No additional funding shall be available for services provided under the Agreement without prior written consent of the Fort Bend County Commissioners Court.
- C. Notice to County shall be sent as follows:

Fort Bend County	w/copy to
301 Jackson Street, Suite 719	Fort Bend County Auditor
Richmond, Texas 77469	301 Jackson, Suite 533
Attention: County Judge	Richmond, TX 77469
- D. Except as modified herein, the Agreement remains in full force and effect and has not been modified or amended.
- E. If there is a conflict between this Fourth Amendment and the Agreement or any prior amendment, the provisions of this Fourth Amendment shall prevail.

- F. Attached hereto to this Amendment is Exhibit A, proposal from Consultant dated April 10, 2014, Exhibit B, Agreement for Professional Actuarial Services dated November 2, 2007; Exhibit C First Amendment to Agreement for Professional Actuarial Services dated September 14, 2010; Exhibit D Second Amendment to Agreement for Professional Actuarial Services dated November 11, 2011; Exhibit E Third Amendment to Agreement for Professional Actuarial Services dated October 23, 2012; all exhibits incorporated by reference as if set forth herein verbatim for all purposes.

EXECUTION

This Fourth Amendment shall not become effective until executed by County.

FORT BEND COUNTY

MILLIMAN, INC.

Robert E. Hebert, County Judge

Authorized Agent- Signature

Authorized Agent- Printed Name

ATTEST:

Title

Dianne Wilson, County Clerk

Date

I:MTR:agreements/addenda/milliman 09262012 04222014

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of _____
to accomplish and pay the obligation of the Fort Bend County under this Agreement.

Ed Sturdivant, Fort Bend County Auditor

Attachments:

- Exhibit A: April 10, 2014 proposal from Consultant
Exhibit B: Agreement dated November 2, 2007
Exhibit C: First Amendment to Agreement for Professional Actuarial Services dated September 14, 2010
Exhibit D: Second Amendment to Agreement for Professional Actuarial Services dated November 8, 2011
Exhibit E: Third Amendment to Agreement for Professional Actuarial Services dated October 23, 2012.

Exhibit A:

April 10, 2014 proposal from Consultant



Reg # 99325
\$ 19,500.00

500 Dallas Street
Suite 2550
Houston, TX 77002
USA

Tel +1 713 658 8451
Fax +1 713 658 9856

milliman.com

April 10, 2014

Ed Sturdivant
Fort Bend County Auditor
301 Jackson, Suite 533
Richmond, TX 77469

**Re: Retiree Medical Expense and Liability Calculations under GASB No. 45
Fort Bend County**

Dear Mr. Sturdivant:

Based on my recent correspondence with your office, I have enclosed a Statement of Work for performing the GASB 45 valuation for the fiscal year ending September 30, 2014. In addition, this valuation report will provide you with the disclosure items needed to separately account for the Drainage District's OPEB obligations.

GASB 45 requires plan sponsors such as you to disclose an Annual Required Contribution (ARC) on their annual financial statements. The ARC may be based on the results of the prior year's valuation if no "significant changes" have occurred regarding your plan design or census data since the prior valuation. As we have discussed, your external auditor is the final arbiter of any material changes as they relate to your financial statement reporting. Since you used the October 1, 2011 valuation for the September 30, 2012, and September 30, 2013 disclosures, you are required to perform an actuarial valuation as of October 1, 2013 for your financial statement reporting at September 30, 2014.

A Statement of Work is attached for your review and signature. We are pleased to offer no increase on the fee we agreed to for the 2012 valuation. Please review, sign, and return the Statement of Work to my attention. All work will be performed in accordance with the signed service agreement dated November 2, 2007.

Please feel free to call me if you have any questions. I can be contacted at (713) 658-3013. Please let me know if you have any questions or concerns.

Sincerely,

Jake Pringle, MAAA
Consulting Actuary

Enclosures

Offices in Principal Cities Worldwide



• Milliman

Fort Bend County

Exhibit B:

Agreement dated November 2, 2007

STATE OF TEXAS

COUNTY OF FORT BEND

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KNOW ALL MEN BY THESE PRESENTS:

AGREEMENT FOR PROFESSIONAL ACTUARIAL SERVICES

THIS AGREEMENT is made and entered into by and between the Fort Bend County, a body corporate and politic under the laws of the State of Texas, acting herein by and through its Purchasing Agent, according to V.T.C.A. Local Government Code 262.011(d), hereinafter referred to as "County," and Milliman, Inc, hereinafter referred to as "Consultant," authorized to conduct business in the State of Texas.

WITNESSETH:

WHEREAS, County desires that Consultant to provide professional actuarial consulting services necessary to County for the new GASB 43/45 standards, hereinafter referred to as the "Project," and perform certain professional consulting services in connection with the project; and

WHEREAS, the Consultant represents that it is qualified and desires to perform such services;

NOW, THEREFORE, County and Consultant, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

**SECTION I
SCOPE OF AGREEMENT**

The Consultant agrees to perform professional actuarial consulting services in connection with the Project as stated herein and for having rendered such services, the County agrees to pay to the Consultant compensation as stated herein.

**SECTION II
CHARACTER AND EXTENT OF SERVICES**

- 2.01 See Exhibit A, August 2, 2007 response to Statement of Qualifications from Consultant.
- 2.02 Consultant agrees to complete the services called for in Section Agreement within forty-five (45) calendar days from the date of this Agreement.

**SECTION III
THE CONSULTANT'S COMPENSATION**

- 3.01 For and in consideration of the services rendered by the Consultant, and subject to the limit of appropriation under Section VII, County shall pay to the Consultant an amount not to exceed \$16,000.00, including all reimbursable expenses.
- 3.02 Consultant shall submit invoices to County and County shall pay each statement within thirty (30) days after the County Project Manager's written approval provided however, that the approval or payment of any statement shall not be considered to be conclusive evidence of performance by the Consultant to the point indicated by such statement or of receipt or acceptance by the County of the services covered by such statement.
- 3.03 Consultant's fees shall be calculated at the following hourly rates:

- A. Engagement Manager: \$350-450
- B. Actuary: \$280-380
- C. Actuarial Analyst: \$180-240

SECTION IV TERMINATION

- 4.01 County may terminate this Agreement at any time by providing ten (10) days written notice to the Consultant.
- 4.02 Upon receipt of such notice, the Consultant shall discontinue all services in connection with the performance of this Agreement and shall proceed to cancel promptly all existing orders and contracts insofar as such orders or contracts are chargeable to this Agreement.
- 4.03 Within thirty (30) calendar days after receipt of notice of termination, the Consultant shall submit a statement, showing in detail the services performed under this Agreement to the date of termination.
- 4.04 The County shall then pay the Consultant that proportion of the prescribed charges which the services actually performed under this Agreement bear to the total services called for under this Agreement, less such payments on account of charges as have been previously made.
- 4.05 In the event of a breach of this Agreement by the Consultant, County shall provide written notice of such breach and Consultant shall have ten (10) calendar days from the receipt of such notice to cure the breach. In the event Consultant fails to cure the breach within ten (10) calendar days, County may terminate this Agreement.
- 4.06 Copies of all completed or partially completed documents, electronic data files, report and specifications prepared under this Agreement shall be delivered to the County when and if this Agreement is terminated in the manner and for the purposes provided in this Agreement.

SECTION V PROFESSIONAL LIABILITY INSURANCE

Consultant shall, prior to performing billable services and for the duration of term of this Agreement, keep in full force and effect a policy of general liability insurance of not less than \$1,000,000.00 for each claim aggregate, which shall be approved by the Fort Bend County Risk Management Department prior to purchase. The policy shall contain a clause that the insurer will not cancel or change the insurance without first giving County thirty (30) days prior written notice. The insurance shall be in a company acceptable to the Fort Bend County Risk Management Department and a copy of the policy or certification of insurance shall be delivered to the Fort Bend County Risk Management Department as soon as available.

SECTION VI NOTICE

- 6.01.1 Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been deposited, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered or certified, return receipt

requested, in a United States Post Office, addressed to the County or the Consultant at the addresses set forth below.

- 6.02 If mailed, any notice or communication shall be deemed to be received three days after the date of deposit in the United States Mail.
- 6.03 Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

A. If to the Consultant:

Milliman, Inc.
10000 N. Central Expressway, Suite 1500
Dallas, Texas 75231
Attn: Kyle Hughes

B. If to County notice must be sent to both the Fort Bend County Purchasing Agent and County Project Manager:

Fort Bend County Purchasing Department
Gilbert D. Jalomo, Jr., CPPB
4520 Reading Road, Suite A
Rosenberg TX 77471

Ed Sturdivant
Fort Bend County Auditor
301 Jackson, Suite 533
Richmond, TX 77469

- 6.04 Either party may designate a different address by giving the other party ten (10) days written notice.

SECTION VII LIMIT OF APPROPRIATION

- 7.01 Prior to the execution of this Agreement, Consultant has been advised by County, and Consultant clearly understands and agrees, such understanding and agreement being of the absolute essence to this contract, that County shall have available the total maximum sum of \$16,000.00, including all reimbursable expenses, if any, specifically allocated to fully discharge any and all liabilities which may be incurred by County.
- 7.02 Consultant does further understand and agree, said understanding and agreement also being of the absolute essence of this contract, that the total maximum compensation that Consultant may become entitled to hereunder and the total maximum sum that County shall become liable to pay to Consultant hereunder shall not under any conditions, circumstances or interpretations thereof exceed the sum of \$16,000.00.

SECTION VIII SUCCESSORS AND ASSIGNS

- 8.01 County and Consultant bind themselves and their successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement.

- 8.02 Neither County nor Consultant shall assign, sublet or transfer its or his interest in this Agreement without the prior written consent of the other.
- 8.03 Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public and/or governmental body that may be a party hereto.

SECTION IX PUBLIC CONTACT

- 9.01 Contact with the news media, citizens of Fort Bend County or governmental agencies shall be the sole responsibility of County.
- 9.02 Under no circumstances, whatsoever, shall Consultant release any material or information developed in the performance of its services hereunder without the express written permission of County, except where required to do so by law.

SECTION X COMPLIANCE AND STANDARDS

Consultant shall render the services hereunder in accordance with generally accepted commercial industry standards of Consultants practicing in Fort Bend County, Texas applicable thereto and shall use that customary degree of care and skill commensurate with the profession similar to the Project to comply with all applicable state, federal, and local laws, ordinances, rules and regulations relating to the services to be rendered hereunder, and Consultant's performance.

SECTION XI OWNERSHIP OF DOCUMENTS

- 11.01 Subject to Section XII (TOOL DEVELOPMENT) and Section XIII (LIMITATION ON DISTRIBUTION) County shall be the absolute and unqualified owner of all reports, electronic files, records and other documents prepared pursuant to this Agreement by the Consultant and its Consultants (deliverables).
- 11.02 No reuse fees or royalty payments will be paid to the Consultant in connection with future reuse or adaptation of designs derived under this contract.
- 11.03 Copies of all complete or partially completed mylar reproducible, preliminary layouts, record drawings, digital files, sketches and other documents prepared pursuant to this Agreement shall be delivered to County when and if this Agreement is terminated or upon completion of this Agreement, whichever occurs first, as provided in this Agreement.
- 11.04 Subject to Section XII (TOOL DEVELOPMENT) Consultant is expressly prohibited from selling, licensing or otherwise marketing or donating such documents, or using such documents in the preparation of other work for any other client, or from duplicating the appearance of the Project depicted in the deliverables for any without the prior express written permission of County.
- 11.05 The documents referenced in this Section are not intended or presented by the Consultant to be suitable for reuse by County or others on extensions of this Project or on other unrelated projects.
- 11.06 Any adaptation or use by County of such documents on extension of this Project or other unrelated projects shall be at County's sole risk.

SECTION XII TOOL DEVELOPMENT

Consultant 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 Consultant or developed during the course of the provision of the services ("Consultant's Tools") provided such Consultant Tools do not contain and/or are not based upon or derived from confidential or proprietary information of County. Rights and ownership by Consultant of Consultant's Tools shall not extend to or include any or all part of County's confidential or proprietary information. To the extent Consultant may include in the materials any pre-existing Consultant proprietary information or other protected Consultant materials, Consultant agrees that County shall be deemed to have a fully prepaid perpetual license to make copies of Consultant owned materials as part of this Agreement for its internal business purposes, provided that such materials cannot be modified or distributed outside County without the written permission of Consultant or expect as otherwise permitted herein. This provision shall survive termination of this Agreement.

XIII LIMITATION ON DISTRIBUTION

Consultant's work is prepared solely for the use and benefit of County in accordance with its statutory and regulatory requirements. Consultant recognizes that materials it delivers to County may be public records subject to disclosure to third parties; however, Consultant does not intend to benefit and assumes no duty or liability to any third parties who receive Consultant's work and may include disclaimer language on its work so stating. County agrees not to remove any disclaimer language from Consultant's work. To the extent that Consultant's work is not subject to disclosure under applicable public records laws, County agrees that it shall not disclose Consultant's work to third parties without Consultant's prior written consent; provided, however, that County may distribute Consultant's work in its entirety to (i) its professional service providers who are subject to a duty confidentiality and who agree to not use Consultant's work for any purpose other than to provide services to County, or (ii) any applicable regulatory or governmental agency, as required.

XIV INDEMNIFICATION

- 14.01 **CONSULTANT SHALL SAVE HARMLESS COUNTY FROM AND AGAINST ALL CLAIMS, LIABILITY, AND EXPENSES, INCLUDING REASONABLE ATTORNEYS FEES, ARISING FROM ACTIVITIES OF THE CONSULTANT, ITS AGENTS, CONSULTANTS OR EMPLOYEES, PERFORMED UNDER THIS AGREEMENT THAT RESULT FROM THE NEGLIGENT ACT, ERROR, OR OMISSION OF THE CONSULTANT OR ANY OF CONSULTANT'S AGENTS, SERVANTS OR EMPLOYEES.**
- 14.02 **CONSULTANT SHALL ALSO SAVE HARMLESS COUNTY FROM AND**

AGAINST ANY AND ALL EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES WHICH MIGHT BE INCURRED BY COUNTY, IN LITIGATION OR OTHERWISE RESISTING SAID CLAIMS OR LIABILITIES THAT MIGHT BE IMPOSED ON COUNTY AS THE RESULT OF SUCH ACTIVITIES BY THE CONSULTANT, ITS AGENTS, CONSULTANTS OR EMPLOYEES.

SECTION XV
MODIFICATIONS

This instrument contains the entire Agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this instrument shall be of no force and effect excepting a subsequent written modification signed by both parties hereto.

SECTION XVI
MISCELLANEOUS

- 14.01 By entering into this Agreement, the parties do not intend to create any obligations, express or implied, other than those specifically set out in this Agreement.
- 14.02 Nothing in this Agreement shall create any rights or obligations in any party who is not a signatory to this Agreement.
- 14.03 Consultant agrees and understands that: by law, the Fort Bend County Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients; the Fort Bend County Attorney's Office may not advise or approve a contract or other legal document on behalf of any other party not its client; the Fort Bend County Attorney's Office has reviewed this document solely from the legal perspective of its client; the approval of this document by the Fort Bend County Attorneys Office was offered solely to benefit its client; Consultant and other parties should not rely on this approval and should seek review and approval by their own respective legal counsel.
- 14.04 This Agreement shall be governed by, construed under and interpreted and enforced in accordance with the laws of the State of Texas. Venue for any action regarding this agreement shall lie in Fort Bend County, Texas and/or the United States District Court, Southern District of Texas, Houston Division.
- 14.05 If there is a conflict between this Agreement and Exhibit "A" the provisions of this Agreement shall prevail.

SECTION XV
EXECUTION

This Agreement shall not become effective until executed by all parties hereto.

FORT BEND COUNTY:

Gilbert D. Jalomo, Jr., CPPB County Purchasing Agent

Date

CONSULTANT: Milliman, Inc.

Kyle Hughes
Regional Manager, Sales and Marketing

Date

MER:Milliman____(101207)

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$16,000.00 to accomplish and pay the obligation of the Fort Bend County under this contract.

Ed Sturdivant, Fort Bend County Auditor

Exhibit A: August 2, 2007 response to Statement of Qualifications from Consultant.

Exhibit C:

First Amendment to Agreement for
Professional Actuarial Services dated September 14, 2010

STATE OF TEXAS
COUNTY OF FORT BEND

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KNOW ALL MEN BY THESE PRESENTS:

FIRST AMENDMENT TO AGREEMENT FOR
PROFESSIONAL ACTUARIAL SERVICES

THIS FIRST AMENDMENT is made and entered into by and between the Fort Bend County, a body corporate and politic, under the laws of the State of Texas, acting herein by and through its Purchasing Agent, according to V.T.C.A. Local Government Code 262.011(d), hereinafter referred to as "County," and Milliman, Inc, hereinafter referred to as "Consultant," authorized to conduct business in the State of Texas.

WITNESSETH:

WHEREAS, County and Consultant previously entered an Agreement for Professional Actuarial Services dated November 2, 2007 (hereinafter referred to as the "Agreement") for professional actuarial consulting services for County, hereinafter called the "Project." County and Consultant now desire to further amend said Agreement as set forth below.

AGREEMENT

For and in consideration of the premises and the mutual promises, obligations, and benefits contained herein, the County and Consultant hereby agree as follows:

- A. An additional amount not-to-exceed \$1,500.00 shall be available for additional services as described in Exhibit A. The amount paid to Consultant for services provided under the Agreement and this First Amendment shall not exceed \$17,500.00.
- B. No additional funding shall be available for services provided under the Agreement without prior written consent of the Fort Bend County Commissioners Court.
- C. Except as modified herein, the Agreement remains in full force and effect and has not been modified or amended.
- D. If there is a conflict between this First Amendment and the Agreement, the provisions of this First Amendment shall prevail.
- E. Attached hereto to this Amendment is Exhibit A, proposal from Consultant dated January 8, 2010 and Exhibit B, Agreement for Professional Actuarial Services dated November 2, 2007, both exhibits incorporated by reference as if set forth herein verbatim for all purposes.

First Amendment to Agreement for Professional Actuarial Services
Milliman, Inc.

EXECUTION

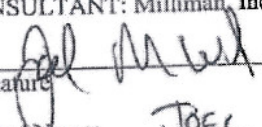
This First Amendment shall not become effective until executed by County.

FORT BEND COUNTY:


Gilbert D. Jalomo, Jr., CPPB County Purchasing Agent

9.14.10
Date

CONSULTANT: Milliman, Inc.


Signature

9/13/10
Date

Printed Name:

JOEL M WEHNER

Title:

PRINCIPAL

I:\MER:Milliman.PSA.3803.AMEND

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$_____ to
accomplish and pay the obligation of the Fort Bend County under this Agreement.

Ed Sturdivant, Fort Bend County Auditor

Attachments:

Exhibit A: January 8, 2010 Proposal from Consultant
Exhibit B: Agreement dated November 2, 2007

Exhibit D:

Second Amendment to Agreement for
Professional Actuarial Services dated November 8, 2011

STATE OF TEXAS

COUNTY OF FORT BEND

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KNOW ALL MEN BY THESE PRESENTS:

SECOND AMENDMENT TO AGREEMENT FOR
PROFESSIONAL ACTUARIAL SERVICES

THIS SECOND AMENDMENT is made and entered into by and between Fort Bend County, a body corporate and politic under the laws of the State of Texas, acting herein by and through its Purchasing Agent, according to V.T.C.A. Local Government Code 262.011(d), hereinafter referred to as "County," and Milliman, Inc, hereinafter referred to as "Consultant," a company authorized to conduct business in the State of Texas.

WITNESSETH:

WHEREAS, County and Consultant previously entered an Agreement for Professional Actuarial Services dated November 2, 2007 and as amended on September 14, 2010 (hereinafter referred to as the "Agreement") for professional actuarial consulting services for County, hereinafter called the "Project." County and Consultant now desire to further amend said Agreement as set forth below.

AGREEMENT

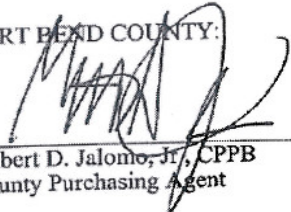
For and in consideration of the premises and the mutual promises, obligations, and benefits contained herein, the County and Consultant hereby agree as follows:

- A. An additional amount not-to-exceed \$1,500.00 shall be available for additional services as described in Exhibit A. The amount paid to Consultant for services provided under the Agreement and this Amendment shall not exceed \$19,000.00.
- B. No additional funding shall be available for services provided under the Agreement without prior written consent of the Fort Bend County Commissioners Court.
- C. Except as modified herein, the Agreement remains in full force and effect and has not been modified or amended.
- D. If there is a conflict between this Amendment and the Agreement, the provisions of this Amendment shall prevail.
- E. Attached hereto to this Amendment is Exhibit A, proposal from Consultant dated October 5, 2011 and Exhibit B, First Amendment to Agreement for Professional Actuarial Services dated September 14, 2010, both exhibits incorporated by reference as if set forth herein verbatim for all purposes.

EXECUTION

This Amendment shall not become effective until executed by County.

FORT BEND COUNTY:

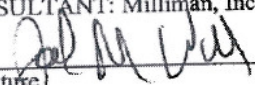


Gilbert D. Jalomo, Jr., CPPB
County Purchasing Agent

11.8.11

Date

CONSULTANT: Milliman, Inc.



Signature

10/27/11


Date

Printed Name: JOE WEHNER

Title: PRINCIPAL

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$ 19,000 to
accomplish and pay the obligation of the Fort Bend County under this Agreement.



Ed Sturdevant, Fort Bend County Auditor

Attachments:

Exhibit A: October 5, 2011 Proposal from Consultant
Exhibit B: Agreement dated September 10, 2010

Exhibit E:

Third Amendment to Agreement for Professional Actuarial
Services dated October 23, 2012.

STATE OF TEXAS
COUNTY OF FORT BEND

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KNOW ALL MEN BY THESE PRESENTS:

THIRD AMENDMENT TO AGREEMENT FOR
PROFESSIONAL ACTUARIAL SERVICES

THIS THIRD AMENDMENT is made and entered into by and between the Fort Bend County, a body corporate and politic under the laws of the State of Texas and Milliman, Inc, hereinafter referred to as "Consultant," authorized to conduct business in the State of Texas.

WITNESSETH:

WHEREAS, County and Consultant previously entered an Agreement for Professional Actuarial Services dated November 2, 2007; with amendments on September 14, 2010 and November 8, 2011 (hereinafter referred to as the "Agreement") for professional actuarial consulting services for County, hereinafter called the "Project." County and Consultant now desire to further amend said Agreement as set forth below.

AGREEMENT

For and in consideration of the premises and the mutual promises, obligations, and benefits contained herein, the County and Consultant hereby agree as follows:

- A. An additional amount not-to-exceed \$19,500.00 shall be available for additional services as described in Exhibit A. The amount paid to Consultant for services provided under the Agreement, this amendment and any prior amendment shall not exceed \$56,000.00.
- B. No additional funding shall be available for services provided under the Agreement without prior written consent of the Fort Bend County Commissioners Court.
- C. Notice to County shall be sent as follows:

Fort Bend County	w/copy to
301 Jackson Street, Suite 719	Fort Bend County Auditor
Richmond, Texas 77469	301 Jackson, Suite 533
Attention: County Judge	Richmond, TX 77469
- D. Except as modified herein, the Agreement remains in full force and effect and has not been modified or amended.
- E. If there is a conflict between this Third Amendment and the Agreement or any prior amendment, the provisions of this Third Amendment shall prevail.

- F. Attached hereto to this Amendment is Exhibit A, proposal from Consultant dated September 18, 2012, Exhibit B, Agreement for Professional Actuarial Services dated November 2, 2007; Exhibit C First Amendment to Agreement for Professional Actuarial Services dated September 14, 2010; Exhibit D Second Amendment to Agreement for Professional Actuarial Services dated November 8, 2012; all exhibits incorporated by reference as if set forth herein verbatim for all purposes.

EXECUTION

This Third Amendment shall not become effective until executed by County.

FORT BEND COUNTY

Robert E. Hebert, County Judge

MILLIMAN, INC.

Authorized Agent- Signature

Authorized Agent- Printed Name

ATTEST:

Title

Dianne Wilson, County Clerk

Date

I:\MTR\agreements\addenda\milliman 09262012

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of _____
to accomplish and pay the obligation of the Fort Bend County under this Agreement.

Ed Sturdivant, Fort Bend County Auditor

Attachments:

- Exhibit A: September 18, 2012 proposal from Consultant
Exhibit B: Agreement dated November 2, 2007
Exhibit C: First Amendment to Agreement for Professional Actuarial Services dated September 14, 2010
Exhibit D: Second Amendment to Agreement for Professional Actuarial Services dated November 8, 2012

Exhibit Two:
Statement of Work dated March 11, 2016

GASB 45 Valuation		Effective Date: March 11, 2016	
Prepared for: Fort Bend County Prepared by: Jaka Pringle			
Project Timing			
Project Start Date: March 11, 2016		Expected Project End Date: January 2017	
Project Description:			
Deliverable	Description	Estimated Fees	Client Initials
GASB 45 Actuarial Valuation Report as of October 1, 2015	Financial statement entries including UAL, ARC, Annual OPEB Cost, Net OPEB Obligation, and Schedule of Funding Progress	\$20,700	
Drainage District OPEB Financial Statement Entries	Financial statement entries including UAL, ARC, Annual OPEB Cost, Net OPEB Obligation, and Schedule of Funding Progress	included in actuarial fees	
Estimated Fee Summary			
Consulting Fees		\$20,700	
Key Notes / Assumptions			
1.	The services proposed under this Statement of Work are offered under, and it is the parties' intent they will be governed by, the Agreement for Professional Actuarial Services between Milliman, Inc. and Fort Bend County, effective as of November 2, 2007.		
2.	Travel and other out of pocket expenses not included.		
3.	The above fees are based on our understanding of the current project scope. Out-of-scope items will be billed separately.		
Client Signature:		Date Approved:	
Milliman Signature:		Date Approved:	



500 Dallas Street
Suite 2550
Houston, TX 77002
USA
Tel +1 713 658 8451
Fax +1 713 658 9656
milliman.com

March 11, 2016

Ed Sturdivant
Fort Bend County Auditor
301 Jackson, Suite 533
Richmond, TX 77469

**Re: *Retiree Medical Expense and Liability Calculations under GASB No. 45
Fort Bend County***

Dear Mr. Sturdivant:

Based on my recent correspondence with your office, I have enclosed a Statement of Work for performing the GASB 45 valuation for the fiscal year ending September 30, 2016. In addition, this valuation report will provide you with the disclosure items needed to separately account for the Drainage District's OPEB obligations.

GASB 45 requires plan sponsors such as you to disclose an Annual Required Contribution (ARC) on their annual financial statements. The ARC may be based on the results of the prior year's valuation if no "significant changes" have occurred regarding your plan design or census data since the prior valuation. As we have discussed, your external auditor is the final arbiter of any material changes as they relate to your financial statement reporting. Since you used the October 1, 2013 valuation for the September 30, 2014, and September 30, 2015 disclosures, you are required to perform an actuarial valuation as of October 1, 2015 for your financial statement reporting at September 30, 2016.

A Statement of Work is attached for your review and signature. Please review, sign, and return the Statement of Work to my attention. All work will be performed in accordance with the signed service agreement dated November 2, 2007.

Please feel free to call me if you have any questions. I can be contacted at (713) 658-3013. Please let me know if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink that reads 'Jake Pringle'.

Jake Pringle, MAAA
Consulting Actuary

Enclosures

Exhibit Three:
County Travel Policy



Fort Bend County
Travel Policy Summary
Effective August 1, 2015
Summary Revised 09.21.15

This is a summary of the Travel Policy, it is the travelers responsibility to read the entire Travel Policy located at <http://econnect/modules/showdocument.aspx?documentid=876> prior to making any travel reservations. Failure to comply with the Travel Policy will result in delay of travel reimbursement or traveler covering cost of travel. For questions regarding the policy or making reservations call the Auditor's Office 281-341-3763 or after hours at 281-684-7292.

Hotels – Reimbursable rates are limited to the GSA Per Diem Limits per day, per city not including taxes. The rates, which vary by month, are located on the GSA website
http://www.gsa.gov/portal/content/104877?utm_source=OGP&utm_medium=print-radio&utm_term=perdiem&utm_campaign=shortcuts

State Contract Hotels are available at discounted rates. Traveler must verify the state rate per night is less than the GSA rate when reserving hotel room or the traveler will only be reimbursed at the GSA rate plus taxes
<http://www.window.state.tx.us/procurement/prog/stmp/>

Traveler can stay at the host hotel if the host hotel offers a group rate and the traveler is able to reserve the room at the group rate. ***If no more group rate rooms are available the traveler will need to find other accommodations within the GSA reimbursable rates.***

- Valet parking will not be reimbursed if self-parking is available.
- FBC is exempt from sales tax not hotel tax so you must pay all taxes at the hotel.
- Travel Days: If the traveler must leave before 7:00AM to arrive at the start of the event and/or return to the County after 6:00PM after the event concludes, an additional night's lodging is allowable before and/or after the event.
- Fees not allowable: Internet, phone charges, laundry, safe fees etc.
- Gratuities: Gratuities are not reimbursable for any lodging services.

Airfare- is reimbursable at the lowest available rate based on 14 day advance purchase of a discounted coach/economy full-service seat based on the required arrival time for the event. When using Southwest Airlines a traveler should choose the "wanna get away" flight category. Unallowable expenses include trip insurance, early bird check In, front of the line, leg room and fare changes for personal reasons.

Rental Cars- Traveler must use state contract rates with AVIS and Enterprise located at
<http://www.window.state.tx.us/procurement/prog/stmp/>

No add on cost (additional insurance, prepaid fuel, GPS, premium radio etc.) The state contract rates already include insurance so additional insurance is not necessary. ***Refer to the travel policy for details on booking your rental car reservations using the state contracts.***

Meals Per Diem –\$36 in state and \$48 out of state. First and last day of travel are paid at 75% of daily per diem rate (first and last day travel per diem rates \$27 in state and \$36 out of state)

Mileage Reimbursements – Use of personal vehicle will be reimbursed at the current rate/mile set by Commissioners' Court. Mileage should be calculated using the County office location of the traveler and the event location.

Contract Rental Car Rates (September 1-2015- August 31, 2016) - State of Texas Rates

CAR TYPE	AVIS / BUDGET		ENTERPRISE / NATIONAL	
Compact	\$33.50	\$201.00	\$35.00	\$210.00
Intermediate	\$35.50	\$213.00	\$37.00	\$222.00
Full-Size	\$37.50	\$225.00	\$39.00	\$234.00
Minivan	\$47.50	\$285.00	\$52.00	\$312.00
SUV Mid-Size	\$47.50	\$285.00	\$56.00	\$336.00
SUV Large	n/a	n/a	\$89.00	\$534.00

Contract Rental Car Rates (September 1-2015- August 31, 2016) - Out of State Rates

CAR TYPE	AVIS / BUDGET		ENTERPRISE / NATIONAL	
Compact	\$35.50	\$213.00	\$35.00	\$210.00
Intermediate	\$37.50	\$225.00	\$37.00	\$222.00
Full-Size	\$39.50	\$237.00	\$39.00	\$234.00
Minivan	\$49.50	\$297.00	\$52.00	\$312.00
SUV Mid-Size	\$49.50	\$297.00	\$56.00	\$336.00
SUV Large	n/a	n/a	\$89.00	\$534.00

GSA Reimbursable Hotel Rates for the State of Texas October 2015 – September 2016. All other states are online.

		OCT 15	NOV 15	DEC 15	JAN 16	FEB 16	MAR 16	APR 16	MAY 16	JUN 16	JUL 16	AUG 16	SEP 16
Standard Rate	City/County not listed	89	89	89	89	89	89	89	89	89	89	89	89
Arlington / Fort Worth / Grapevine	Tarrant County / City of Grapevine	149	149	149	149	149	149	149	149	149	149	149	149
Austin	Travis	135	135	135	159	159	159	135	135	135	135	135	135
Bio Sorino	Howard	171	171	171	171	171	171	171	1471	171	171	171	171
College Station	Brazos	114	114	114	114	114	114	114	114	114	114	114	114
Corpus Christi	Nueces	105	105	105	105	105	105	105	105	105	105	105	105
Dallas	Dallas	125	125	125	138	138	138	138	138	138	125	125	125
El Paso	El Paso	95	95	95	95	95	95	95	95	95	95	95	95
Galveston	Galveston	99	99	99	99	99	99	99	99	129	129	129	99
Houston	Montgomery / Fort Bend / Harris	131	131	131	131	147	147	147	147	131	131	131	131
Laredo	Webb	99	99	99	99	99	99	99	99	99	99	99	99
McAllen	Hidalgo	93	93	93	93	93	93	93	93	93	93	93	93
Midland	Midland	185	174	174	174	185	185	185	185	185	185	185	185
Pearsall	Frio / Medina / La Salle	119	119	119	119	119	119	142	142	119	119	119	119

[illegible]

CERTIFICATE OF INTERESTED PARTIES**FORM 1295**

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY
CERTIFICATION OF FILING****1 Name of business entity filing form, and the city, state and country of the business entity's place of business.**

Milliman, Inc.
Houston, TX United States

Certificate Number:
2018-384832

Date Filed:
07/26/2018

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Fort Bend County

Date Acknowledged:
08/14/2018

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

18205
Professional actuarial services for GASB 75 reporting

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.**6 UNSWORN DECLARATION**

My name is _____, and my date of birth is _____.

My address is _____ (street) _____ (city) _____ (state) _____ (zip code) _____ (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in _____ County, State of _____, on the _____ day of _____, 20____.
(month) (year)

Signature of authorized agent of contracting business entity
(Declarant)