

Engagement Agreement

I. Parties

The parties to this Agreement are Hause Monnin Consulting (HMC) and Panola County (the Client).

II. Task

The Client has contracted with HMC to perform the services described below.

HMC will provide an analysis and valuation of the Client's GASB 75 OPEB liability related to the Client's retiree medical plan. As part of this process, HMC will analyze the Client's current benefit and funding structures for retirees along with the eligibility requirements for retiree benefits. HMC will submit to the Client a report which includes the results of the analysis and the assumptions used in the calculation of the liabilities.

III. Cost and Payment

Billing will be provided on a monthly basis. The Client will submit payment within 15 days of receipt of the invoice. Any amounts due more than 30 days will accrue interest at a 6% annual rate.

Billing will be on a time and materials basis utilizing hourly rates in effect at the time the work was performed.

HMC will provide an estimated cost and estimated hourly billing rates annually. Each year, HMC will also provide an estimated total annual cost. This will be an estimate and not a guarantee. HMC will make every effort to live within the quote and will notify the Client if and when HMC believes the estimate may be exceeded.

IV. Reliances

HMC will rely on information supplied by the Client or representatives of the Client. This information may include the following items, among others: retirement system data, census data for retirees and active employees, claims and contribution data, and eligibility, funding and benefit provisions. HMC will review the information for apparent accuracy but will rely on the reported information as correct.

V. Indemnification

1. The Client agrees to indemnify HMC for all costs associated with defense and all judgments against HMC resulting from any action brought against HMC by any entity or individual not party to this Agreement as a result, directly or indirectly, of HMC's engagement and performance under this Agreement. The sole exception to the Client's duty to indemnify shall be in the event a court of competent jurisdiction enters a final, non-appealable judgment against HMC with a finding that HMC committed gross misconduct. A finding of negligence,

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error, or breach of applicable Actuarial Standards of Practice shall not be considered to be gross misconduct under this Agreement.

2. The Client agrees that any recovery under judgment as a result of actions taken by the Client against HMC in connection with this Agreement will be limited to the amounts paid to HMC with regard to the assignment for the year subject to dispute.

VI. Non-Appropriation Clause

This agreement shall remain in effect for successive years from year to year unless funds are not appropriated for the task. It is the intent of Panola County to pay the consideration herein set forth for the terms of the contract each year. However, in order not to create debt beyond the end of each fiscal year, and to be in compliance with the Texas constitution, Panola County reserves the right to terminate the agreement at the end of the budget years.

VII. Termination

This Agreement may be terminated by either party at any time. The Client is responsible for paying all fees and expenses accrued to the date of termination. The obligations set forth in Sections IV and V survive the termination of this Agreement.

VIII. General

This Agreement constitutes the entire Agreement of the parties.



Jeff Yeatman, ASA, MAAA
Senior Vice President
Hause Monnin Consulting

February 22, 2022

(Date)



(Signature)

David H. Anderson

(Print Name)

County Judge

(Print Title)

Panola County

(Print Company Name)

3-1-2022

(Date)

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