



March 26, 2025

CONFIDENTIAL - SENT VIA E-MAIL

Mr. James M. Grosch  
Warren County School District  
Business Manager  
6820 Market Street  
Russell, PA 16345-3406

Re: Actuarial Services for Warren County School District

Dear Mr. Grosch,

The purpose of this engagement letter (the "Agreement") is to confirm our engagement to provide actuarial services (the "Services") to Warren County School District ("District," "you," or "your"). This letter describes the Services that Acrisure Mid-Atlantic Partners Insurance Services, LLC ("Acrisure," "we," "us," and "ours") will use reasonable efforts to provide for Warren County School District OPEB Plan (the "Plan(s)"). The terms of this Agreement are supplemented by our Standard Terms of Engagement (the "Terms"), a copy of which is attached to this letter as Exhibit A. Those Terms are also important, and you should read them closely.

### **Scope of the Engagement**

Acrisure will provide the Plan(s) with following Services on an annual basis during the term of this Agreement:

- Actuarial Valuation Report as of July 1, 2024 and as of July 1, 2026 to comply with Statement No. 75 of the Governmental Accounting Standards Board ("GASB")
- Projections of Net OPEB liability, OPEB expense and OPEB Deferred Inflows and Outflows for fiscal years ending June 30, 2025 through 2028
- Sensitivity Analysis showing the estimated impact of a +/- 1% change in the assumed discount rate and assumed trend assumptions
- Routine audit support

### **Additional Services**

We can provide additional services ("Additional Services"), which are outside the scope of the Services. Generally, the fees for Additional Services will be based upon an applicable hourly rate. The current hourly rates applicable to our personnel are listed below under Fees & Expenses. Such Additional Services may include:

- OPEB Consulting
- Updated valuation or projection necessitated by material changes to benefits or covered population
- Actuarial Studies of proposed changes to benefit terms

### **Fees & Expenses**

Our fee for the Services and any Additional Services will be based on our hourly rates, payable as set forth in the Terms. Generally, our applicable hourly rate for performing such Services and Additional Services will range from \$125 to \$350.

We would estimate the valuation would require 35 to 38 hours to complete. At the hourly rate for the staff involved, the fee involved would likely range from \$8,300 to \$9,000.

### **Staffing of the Engagement**

Your account will be managed by an actuarial consultant who is responsible for coordinating and overseeing the delivery of services to you, including assigning other service team members to the account from among our staff as needed. You may reach out to me or the consultant identified in the email transmittal of this engagement letter regarding any questions or concerns.

Thank you for this opportunity and we look forward to this partnership!

Sincerely,



Amy M. Crouse, EA, ASA, MAAA  
Consultant and Actuary  
412-394-9355  
[acrouse@acrisure.com](mailto:acrouse@acrisure.com)

**AGREED AND ACKNOWLEDGED**

**Warren County School District**

\_\_\_\_\_  
Signature

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Today's Date: \_\_\_\_\_

**Acrisure Mid-Atlantic Partners  
Insurance Services, LLC**

\_\_\_\_\_  
Signature

Ryan G. Foley  
Executive Vice President

## **Exhibit A**

### **Standard Terms of Engagement**

These Standard Terms of Engagement ("Terms") add certain provisions to the Engagement Letter by and between Acrisure Mid-Atlantic Partners Insurance Services, LLC ("Acrisure") and Warren County School District ("Company") (the "Agreement") dated as of the Effective Date and shall incorporate all terms of said Agreement by reference herein.

1. **Scope of Work:** Acrisure will provide the Services, as set forth in the Agreement. Additional Services may be requested from time to time, and will be billed at Acrisure's normal hourly rates, plus direct costs, if any.
2. **Payment of Fees.** Acrisure's terms for payment of invoices are that they are due upon receipt. A late payment fee of two percent (2%) of the invoice amount for any invoice that is forty-five (45) days past due will be applied. If an invoice is still outstanding at ninety (90) days, an additional five percent (5%) late payment fee will be added to the amount outstanding at the time the late payment fee is added. Company shall reimburse Acrisure for all reasonable costs incurred in collecting any overdue payments and related interest, including, without limitation, reasonable attorneys' fees, legal expenses, filing fees, court costs, and collection agency fees. If this engagement is terminated, then any outstanding fees shall be paid promptly.
3. **Relationship of the Parties.** At all times during the term of the Agreement, the relationship between the Company and Acrisure shall be that of independent contractors. Nothing contained herein shall indicate that the parties hereto have any employer/employee relationship, joint venture, partnership, agency relationship, or right or power to represent or act on behalf of each other except as set forth in this Agreement.
4. **Insurance.** Each party covenants, represents, and warrants that it now has in force and effect a valid and binding contract of professional liability insurance covering it for damages occasioned by professional errors or omissions, and covenants to keep such policy, or one similar thereto, in full force and effect at all times during the continuance of the Engagement Letter, at the party's own expense.
5. **DELETED**
6. **Limitation of Liability.** It is agreed and understood that Acrisure's work will be based upon the data provided to Acrisure by Company. To the extent that the data provided is incorrect or incomplete, Acrisure shall not be liable for the results of work based on that data unless Acrisure was negligent with respect to such data. Acrisure shall have no obligation to discern any errors, omissions, or irregularities relating to data provided to Acrisure by Company or any third party, except to the extent that the failure to discern such errors, omissions, or irregularities is inconsistent with the applicable professional standards established by the Actuarial Standards Board. In such instance, Acrisure shall not be liable for any direct, indirect, incidental, special, consequential, punitive, exemplary, or any other damages relating to or resulting from the Services performed pursuant to the Agreement.
7. **Term; Termination.** The term of Agreement shall be for a period of twenty-four (24) months from the date of execution ("Initial Term") and upon expiration of the Initial Term shall automatically renew for additional twenty-four (24) month periods thereafter (the "Renewal Term"), unless either Party provides written notice of nonrenewal at least sixty (60) days prior to the end of the then-current Renewal Term. If the Agreement is terminated prior to expiration of the Initial Term, Company shall pay Acrisure for all services actually performed to the termination date set forth in the notice without further liability to the Company of any nature whatsoever either in law or in equity by reason of the termination.

8. Confidential Information. Each Party acknowledges and agrees that all such information disclosed to the other or obtained by the other shall remain the property of the disclosing Party. Upon request, the receiving Party shall promptly return to the other all tangible representations of such confidential information in the recipient's possession and completely destroy all electronic copies and records of such information that cannot be returned.
9. General. These Terms and the Agreement shall be interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to conflict of law principles. These Terms and the Agreement may not be changed or modified except in writing signed by

both Parties. These Terms and the Agreement shall inure to the benefit of the respective assigns and successors of each party. The failure of either party to insist on strict compliance with any term, provision or condition of this Agreement shall not be construed as a waiver thereof. If any provision of this Agreement should be void, invalid or unenforceable for any reason, the remainder of the Agreement shall not be affected thereby.

10. Entire Agreement. These Terms and the Agreement replace and supersede all previous agreements, written or oral, which may have existed between the parties or their affiliates, predecessors, successors or assigns. This Agreement constitutes the full agreement of the Parties regarding the subject matter hereof.