

**Dallas**

Glenn A. Tobleman, F.S.A., F.C.A.S.  
 S. Scott Gibson, F.S.A.  
 Cabe W. Chadick, F.S.A.  
 Michael A. Mayberry, F.S.A.  
 David M. Dillon, F.S.A.  
 Gregory S. Wilson, F.C.A.S.  
 Steven D. Bryson, F.S.A.  
 Bonnie S. Albritton, F.S.A.  
 Brian D. Rankin, F.S.A.  
 Wesley R. Campbell, F.C.A.S., F.S.A.  
 Jacqueline B. Lee, F.S.A.  
 Xiaoxiao (Lisa) Jiang, F.S.A.  
 Brian C. Stentz, A.S.A.  
 J. Finn Knox-Seith, A.S.A.  
 Jennifer M. Allen, A.S.A.  
 Josh A. Hammerquist, A.S.A.  
 Johnathan L. O'Dell, A.S.A.  
 Clint Prater, A.S.A.  
 Larry Choi, A.S.A.

**Kansas City**

Gary L. Rose, F.S.A.  
 Terry M. Long, F.S.A.  
 Leon L. Langlitz, F.S.A.  
 D. Patrick Glenn, A.S.A., A.C.A.S.  
 Christopher H. Davis, F.S.A.  
 Karen E. Elsom, F.S.A.  
 Jill J. Humes, F.S.A.  
 Christopher J. Merkel, F.S.A.  
 Kimberly S. Shores, F.S.A.  
 Michael A. Brown, F.S.A.  
 Naomi J. Kloepfersmith, F.S.A.  
 Stephanie T. Crownhart, F.S.A.  
 Mark W. Birdsall, F.S.A.

**London/Kansas City**

Timothy A. DeMars, F.S.A., F.I.A.  
 Scott E. Morrow, F.S.A., F.I.A.

**Denver**

Mark P. Stukowski, F.S.A.  
 William J. Gorski, F.S.A.

**Indianapolis**

Kathryn R. Koch, A.C.A.S.

**Baltimore**

David A. Palmer, C.F.E.

October 22, 2015

Mrs. Cynthia Mares  
 Risk Manager, Risk Management Department  
 Webb County, Texas  
 1110 Washington Street, Suite 204  
 Laredo, TX 78042

RE: Workers Compensation Self-Funded Program  
 Engagement Letter for Actuarial Report on Loss and Loss Adjustment Expense  
 Reserves as of September 30, 2015

Dear Cynthia:

I am pleased to submit for your review our bid to provide the actuarial report for Webb County's self-insured workers compensation loss and LAE reserves as of September 30, 2015.

**QUALIFICATIONS**

I have attached my resume as well as the resumes of Glenn A. Tobleman and Gregory S. Wilson showing our experience and professional credentials.

**REPORT**

We will provide the analysis and report in a format similar to the report provided by us last year.

**TIMING**

We will need approximately three weeks after receiving the data to prepare the analysis and report. A draft copy of the report will be sent for your review prior to finalizing the report. We would anticipate having the report completed by the end of the year.

Mrs. Cynthia Mares, Risk Manager  
October 22, 2015  
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**FEE ESTIMATE**

The cost of the opinion will be based on the cost of our actuarial services plus any direct expenses, which we would anticipate being less than \$100. My cost estimate assumes that there are no major changes in operations relative to September 30, 2014 or any material errors in the data provided to us. I estimate that our charges to provide the referenced actuarial report will be \$5,250 plus direct expenses. L&E bills on a monthly basis in arrears, so a bill for work done in October will be invoiced in early November.

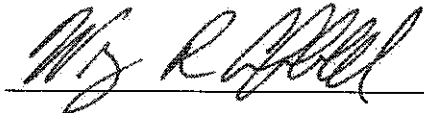
If you accept our proposal and elect to utilize our services, we will send out a questionnaire at a later date to inquire if there are any changes to your operation, claims settlement practices, case reserving, retention, etc. that may affect the loss development of the business.

**INFORMATION NEEDED**

I have attached a copy of the data requested by us last year.

Please sign and return a copy of this letter if the proposal is acceptable to you (or scan and email). If you have any questions, please give me a call. We are looking forward to working with you!

Kind regards,



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Wesley R. Campbell, FCAS, FSA, MAAA  
Vice President & Consulting Actuary

Attachment

Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_  
Cynthia Mares, Risk Manager