

RE: Comprehensive Financial and Capital Plan

DATE: November 3, 2023

This Scope Appendix is attached by reference to the above-named engagement letter (the "Engagement Letter") between Fairfield Township, Tippecanoe County, Indiana (the "Client") and Baker Tilly Municipal Advisors, LLC ("BTMA").

SCOPE OF WORK

Baker Tilly Municipal Advisors, LLC ("BTMA") will perform the following services only at the request of the Client:

A. Comprehensive Financial Plan (Consulting Services)

Assist the Client in the development of a financial model as follows:

1. Compile schedules of cash receipts, cash disbursements and fund balances of all major operating funds of the Client for the previous two years ended December 31 based upon reports and records of the Client, to identify trends in revenues, expenditures, and fund balances.
2. Compile a projection of cash receipts, cash disbursements and fund balances of all major operating funds of the Client for the current and next three calendar years. Projections will include estimates of property tax collections, circuit breaker tax credits, income tax collections and planned expenditures for Client operations, maintenance, capital expenditures and debt service requirements.
3. Recommend a level of minimum fund balances to be maintained.
4. Identify fund balances within non-major funds that may be available to fund General Fund or other operating expenditures and provide a description of the authorized uses of fund balances.
5. Identify potential shortfalls in revenues and provide suggestions, as available, to bridge funding gaps.
6. Provide a preliminary report of our findings and recommendations to the Client and present a summary of the report to the fiscal body.
7. Prepare a formal presentation for considerations by the Client and attend meetings with Client officials to communicate results.

B. Capital Plan (Consulting Services)

1. Confer, as needed, with Client officials to determine the capital improvement needs of the Client in the project planning period and the estimated costs of those projects.
2. Upon review of the Client's long-term financial plan and with the assistance of the Client, determine on a preliminary basis, the availability of any funds currently on hand and analyze the corresponding reserve requirements and net funds available for the capital projects. Make recommendations regarding the use of funds on hand.
3. Investigate alternative methods of financing the proposed capital projects plan, including the use of bond financing, pay-as-you-go, funds on hand, grant funds, and other available resources.

4. Provide a preliminary report of our findings and recommendations to the Client and present a summary of the report to the fiscal body.
5. Prepare a formal presentation for considerations by the Client and attend meetings with Client officials to communicate results.

C. Annual Services / Periodic Services (Financial Advisory Services)

1. After the initial setup of the Financial and Capital Plan, the Firm will be available as necessary and at the discretion of the Client to monitor and update the Financial and Capital Plan, attend working group meetings, and provide ongoing financial strategy and advice as warranted.
2. Meet, as needed, with Client officials to discuss and answer questions on the Financial and Capital Plan, its findings, recommendations, and alternatives.
3. Meet, as needed, with Client officials and members of the public to explain and answer questions on the Financial and Capital Plan.
4. Assist with financial or operational issues of the Client that do not fall within the categories as described above in Sections A and B.

COMPENSATION AND INVOICING

BTMA's fees for services set forth in Sections A and B will be billed at the standard billing rates based on actual time and expenses incurred and will not exceed fifteen thousand dollars (\$15,000) without further authorization from the Client.

BTMA's fees for services set forth in Section C will be based at the standard billing rates based on actual time and expenses incurred.

	2023 Hourly Rate
Partners / Principals / Directors	\$295 - \$525
Managers	\$235 - \$340
Consultants / Analysts	\$160 - \$235
Support / Paraprofessionals	\$115 - \$175
Interns	\$110 - \$145

Billing rates are subject to change periodically due to changing requirements and economic conditions. Baker Tilly will notify Client thirty (30) days in advance of any change to fees. If Client does not dispute such change in fees within that thirty (30) day period, Client will be deemed to have accepted such change. The fees billed will be the fees in place at the time services are provided. Actual fees will be based upon experience of the staff assigned and the complexity of the engagement.

BILLING PROCEDURES

Normally, you will receive a monthly statement showing fees and costs incurred in the prior month.

Occasionally, we may bill on a less frequent basis if the time involved in the prior month was minimal or if arrangements are made for the payment of fees from bond proceeds. The account balance is due and payable on receipt of the statement.

Nonattest Services

As part of this engagement, we will perform certain nonattest services. For purposes of the Engagement Letter and this Scope Appendix, nonattest services include services that the *Government Auditing Standards* refers to as nonaudit services.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

In connection with our performance of any nonattest services, you agree that you will:

- Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services we perform.
- Evaluate the adequacy and results of the nonattest services we perform.
- Accept responsibility for the results of our nonattest services.
- Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

Conflicts of Interest

Attachment A to the Engagement Letter contains important disclosure information that is applicable to this Scope Appendix.

We are unaware of any additional conflicts of interest related to this Scope Appendix that exist at this time.

Termination

Notwithstanding termination provisions contained in the Engagement Letter, it is agreed that relative to this Scope Appendix that both the Client and Baker Tilly have the right to terminate the work being done under the Scope Appendix . This Scope Appendix will otherwise terminate 60 days after completion of the services described herein. On termination, all fees and charges incurred prior to termination shall be paid promptly.

If this Scope Appendix is acceptable, please sign below and return one copy to us for our files. We look forward to working with you on this important project.

Sincerely,

Paige E. Sansone

Paige E. Sansone, Partner

Signature Section:

The services and terms as set forth in this Scope Appendix are agreed to on behalf of the Client by:

Name: _____

Title: _____

Date: _____