

**RE: Proposed Financial Advisory and Accounting Services – Financial Assurance Test**

**DATE: February 14, 2024**

This Scope Appendix is attached by reference to the above-named engagement letter (the Engagement Letter) between Town of Munster, Indiana (the Client) and Baker Tilly US, LLP and relates to services to be provided by Baker Tilly Municipal Advisors, LLC.

**SCOPE OF WORK**

Baker Tilly Municipal Advisors (BTMA) agrees to furnish and perform the following services for the Client.

**A. Preliminary Financial Planning (Consulting Services)**

1. Gather historical financial information for the Client for the two to three prior years, including landfill operations.
2. Obtain copies of State Board of Accounts audits and available bond rating reports for the Client and landfill.
3. Obtain information from the Client Representatives, landfill operator, and/or consulting engineers regarding estimated capital and operating costs for closure and post-closure activities.
4. Gather other relevant information required to address the Financial Assurance Test requirements as outlined in the Administrative Code.

**B. Financial Plan and Financial Assurance Test Development (Consulting Services)**

1. Summarize the financial information from the Client and other resources to make the financial calculations and ratios as required by the Administrative Code to meet the Financial Assurance Test benchmarks.
2. Develop a report for submission to the Client and its representatives for review and comment in regard to the Financial Assurance Test requirements.
3. Meet, at the request of the Client, with the Client representatives to review report and answer any questions.

**C. Approval of Financial Assurance Test and Submission to IDEM (Consulting Services)**

Finalize reports in regard to the operations of the landfill and the Financial Assurance Test requirements for submission to the Client to be utilized by the Client in execution of the Financial Assurance Test and submission to Indiana Department of Environmental Management.

## **COMPENSATION AND INVOICING**

BTMA's fees for services set forth in the Scope Appendix will be Seven Thousand Seven Hundred Dollars (\$7,700).

The above fees shall include all expenses incurred by BTMA except for direct, project-related expenses such as travel costs and charges of other entities such as rating agencies, bond and official statement printers, couriers, newspapers, bond insurance companies, bond counsel and local counsel, and electronic bidding services, including Parity®.

## **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

This Scope Appendix will terminate according to the terms of the Engagement Letter.

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,

*Jeffrey P. Rowe*

**Jeffrey P. Rowe, 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: \_\_\_\_\_